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10 January 1985

# Latin America Report



FOREIGN BROADCAST INFORMATION SERVICE

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10 January 1985

## LATIN AMERICA REPORT

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INTER-AMERICAN AFFAIRS

BRAZILIAN TEST PILOTS IMPRESSED WITH CHILEAN PILLAN TRAINERS

Santiago EL MERCURIO in Spanish 29 Nov 84 pp C-1, C-4

[Text] Pilots from the Brazilian Air Force who are in Santiago drafting a report for their institution's authorities on the performance, features and qualities of the "Pillan" aircraft manufactured by ENAER [National Aeronautics Enterprise] in Chile expressed satisfaction with the performance shown by the aircraft during the tests which were conducted.

It was remarked that the Air Force in that country has included among its plans a renovation of the aircraft used for elementary instruction of pilots at the Air Force Academy based in Pirasununga, Sao Paulo, which is currently being carried out in T-25 planes of Brazilian make.

The visiting delegation arrived at the command post of Air Force Col Francisco Henneman, and included (among others), the EMBRAER [Brazilian Aeronautics Company] engineer, Gonzalo Sierra, and the pilots, Maj Emilio Drummond and Gilberto Rigobello; Capt Alexandre Bittencourt; and Lts Helio Magayevsky and Paulo Garcia Suarez, the latter an engineer.

Air Force Maj Gilberto Rigobello said that at the El Bosque Air Base operational and technical evaluations have been made, including high-altitude flights, and checking of instruments and maneuverability, "making a good, positive impression. Thus far, we have not noticed any problem."

Lt Paulo Garcia, in turn, explained that an extensive study has been made of the maintenance and ground support that can be rendered by the National Aeronautics Enterprise which manufactures the "Pillan" aircraft.

Eng Gonzalo Sierra, who represents the Brazilian Aeronautics Company, disclosed to EL MERCURIO that "This is a first contact between the two Air Forces to observe and analyze the airplane, as well as to explore the possibility of a future technological exchange between ENAER and the firm in which I am serving." He explained that this exchange might consist of technological information and contributions of information and reports. In any event (he commented), the visit has been "constructive and interesting."

The evaluation of the trip to Chile will be submitted to the Research and Development Department and to the Air Force General Staff of Brazil, offices which will make the decision on a possible purchase of the aircraft itself or a purchase of the respective license.

2909

CSO: 3348/190

'IN-DEPTH' REFORM FOR ANDEAN GROUP SIGHT

PA061653 Quito Voz de los Andes in Spanish 1130 CT 5 Dec 84

[Text] Patricio Quevedo, national secretary of public information, has said: Ecuador does not oppose Andean integration. However, it is necessary that measures be adopted to make the subregional agreement operational. He stressed: The Ecuadoran Government's position on this is clear: We need the plan to work, but not by simply patching it up.

[Begin recording] [Quevedo] Ecuador believes that it is necessary to substantially reform the Andean Group's integration modalities. First, reform would make the integration plan fulfill its goal to be an instrument of development for all the Andean peoples, who well deserve and need it. Second, the integration plan must be adapted to present day conditions which, in general, differ from conditions in September 1969, when the Cartagena Agreement was signed and ratified. The Ecuadoran Government believes--and the experiences of the past 15 days have confirmed this--that it is not enough to introduce measures to patch up the agreement or partially mend its pitfalls. Substantial and in-depth modifications must be introduced so that the integration effort can be I dare say--a very effective instrument for collective development.

[Unidentified reporter] Will Ecuador's future participation in the Andean Group be determined on 12 December at the Cartagena meeting?

[Quevedo] Ecuador's future participation, that is, its policy toward the Andean Group, is defined in this administration's philosophy toward the Group, which I have just enunciated. At the upcoming meeting Ecuador will attempt to promote its idea and make efforts so that truly authentic, well-thought, well-intentioned, and well-discussed steps are taken to overcome the crisis that has become virtually endemic to the group. [end recording]

ECLA REPORT ON LATIN AMERICAN ECONOMIC RECOVERY

PY211530 Paris AFP in Spanish 2226 GMT 20 Dec 84

[Text] Santiago, 20 Dec (AFP)--According to the annual report the Economic Commission for Latin America [ECLA] issued in Santiago today, in 1984 Latin America showed the first signs of a weak economic recovery after 3 consecutive years of the most serious crisis sustained over the past 50 years. The ECLA report states that the region's overall GDP increased by 2.6 percent after having dropped 1 percent in 1983 and 3.3 percent in (?1983). The countries that grew most were Chile (5.5 percent), Brazil (3.5 percent), and Peru (3.5 percent), while production dropped in Uruguay (minus 2.0 percent) and in Venezuela (minus 1.5 percent). ECLA, a UN subsidiary organization, notes that this overall increase, complemented by an improvement in the foreign situation, represents a weak and insufficient recovery, since Latin America is still suffering the effects of inflation and unemployment.

In the foreign trade sphere, the Latin American trade balance showed an unprecedented surplus of \$37.6 billion. Mexico heads the list of those countries that exported more than they imported with a surplus of \$13.5 billion, followed by Brazil with \$12.6 billion, Venezuela with \$8.54 billion, and Argentina with a \$4.43 billion surplus. In general, Latin American exports increased almost 10 percent, while imports, for the first time since 1981, increased 4.4 percent.

However, the payment of principal and interest on the foreign debt also increased from \$34.5 billion in 1983 to \$37.3 billion in 1984, which represents 33.5 percent of exports. The overall foreign debt totaled \$360 billion, but its increase was only 5.6 percent which is a lower increase than that of the previous 3 years. Income from capital increased from \$4.4 billion in 1983 to \$10.6 billion in 1984, which contributed to the Latin American balance of payments surplus of \$7.5 billion in 1984.

The ECLA report points out, however, that simultaneously with these first signs of a recovery, the rhythm of price increases has sped up again, reaching record figures. The average inflation rate rose from 66 percent in 1983 to 116 percent in 1984. The report adds that the countries with the highest inflation were Bolivia (1,084.9 percent), Argentina (675.0 percent), Brazil (194.7 percent), and Peru (105.8 percent). Price increases were most moderate in Honduras (6.9 percent), Barbados (3.9 percent), and Panama (1.11 percent).

ECLA Executive Secretary Enrique Iglesias admitted that the situation has improved compared to 3 years ago, when the region's GDP registered the most drastic drop since the postwar years.

After stating that the factors for economic recovery must still be strengthened, Iglesias concluded that it would be dangerous if this feeling of recovery becomes a feeling of optimism regarding the immediate future.

CSO: 3348/221

INTER-AMERICAN AFFAIRS

CHILE, ARGENTINA AGREE TO ADDITIONAL ECONOMIC INTEGRATION

Santiago EL MERCURIO in Spanish 24 Nov 84 pp C-1, C-8

[Text] The foreign ministries of Chile and Argentina agreed yesterday to intensify gas complementation studies between the two countries. Therefore, they agreed to form a special committee that should complete a report on the subject within 120 days.

The above is part of an Act of Understanding signed by the Chilean and Argentine diplomatic delegations. They met for 3 days this week in Santiago. This advances physical integration between the two countries, especially in tourism, telecommunications, transportation and economic complementation.

In the document they agreed to propose to the foreign ministries of both countries that the Chilean-Argentine Physical Integration Committee that functioned until 1977 meet again in the second half of 1985.

The session that ended yesterday is the second of this type. The first was held the previous week in Buenos Aires. On that occasion, a nine-point agreement was signed. The document signed yesterday by the delegation chiefs, Retired Gen Pedro Ewing, Chilean director of borders and boundaries, and Ambassador Arnoldo Listre, former director general of the Argentine Foreign Ministry, has 10 points numbered consecutively after those in the first statement.

Act

The tenth point which begins the Santiago Act proposed a special committee that will study within 120 days an agreement on Chilean-Argentine tourism. This committee would meet in Santiago in December.

As to telecommunications, the delegations agreed on the need to implement border connections to satisfy the needs of border areas.

Pointing out the progress achieved in the Joint Telecommunications Committee, they agreed to create a special committee that will evaluate the global operation of the existing systems and the possibility of other telephone connections between the two countries within 120 days. The national delegation verified that International Direct Dialing from Chile to Argentina will go into operation in the second half of December.

In transportation, the delegations agreed to continue promoting measures to facilitate passenger and freight transportation between the two countries and to third countries based on existing international agreements under the coordination of the respective foreign ministries.

#### Gas Complementation

The work groups exchanged information on the many possibilities for gas complementation between the two countries and noted the progress achieved in the studies done by the Santiago Gas Company and Argentine state gas in compliance with a 1984 Letter of Intention.

It was also agreed to form a special committee that will present its conclusions within 120 days on the technical, economic, financial and operational analysis of all the gas complementation projects as well as the possibilities of technological exchange.

It was also agreed to establish a special committee to study the feasibility of the exploitation of the La Dorotea coal seam adjacent to Rio Turbio. It must submit its report within 90 days.

#### Interconnected Network

Based on the convenience of using the road and railway network between the two countries to the maximum, it was agreed to form a new special committee to study the possibilities in areas like a global land connector system and the volumes, conditions and costs of trade between Chile and Argentina as well as land, maritime and air transport toward third countries.

Given the degree of development achieved by many of their national research and training institutions as well as the level of their human resources, the need to intensify the bilateral scientific and technical cooperation contained in an agreement signed in 1974 was agreed on.

They also agreed to recommend negotiating conferences to the governments to formalize the economic complementation agreement in the Act of Buenos Aires. These meetings will alternate between the two countries, starting in Santiago in the second half of 1985.

They also expressed the interest of both countries to establish a single business mechanism mentioned in the Act of Buenos Aires.

#### Bilateral Committee

On this occasion, Retired Gen Pedro Ewing expressed his hope that the Peace and Friendship Treaty between the two countries will be signed so that the mentioned bilateral Physical Integration Committee will continue the work begun by the two delegations.

He said that the two meetings held so far have led the two countries to a better understanding and greater complementation, integration and solidification

of fraternal ties that are indispensable for two peoples like ours. He also said that these meetings must be the motor for the next task of the Physical Integration Committee so that the ideas expressed can materialize as soon as possible.

Ambassador Arnoldo Listre pointed out the progress achieved, especially in the establishment of special committees and deadlines. He also emphasized his conviction that the treaty between the two countries will be signed. "This will signify that the Argentine people will say yes to peace and integration with Chile."

At the end, he indicated that, given the desire for integration between the two countries especially in the light of the needs of the border areas, what has been done in recent days marks the beginning of a new era in relations between Chile and Argentina.

7-11-7  
CIN: 13457108

BR'EFS

**NEW CARIBBEAN \$10-NOTE--Basseterre, St Kitts--**The St Kitts-based Eastern Caribbean Central Bank (ECCB) on Friday circulated for the first time a new \$10 note and got plaudits from the public. The new note, intended to bridge the gap between the five and \$20 denominations, is slightly smaller than existing ones and features a new portrait of Queen Elizabeth along with a map showing the seven member countries of the ECCB--Grenada, St Kitts-Nevis, Montserrat, Antigua and Barbuda, St Vincent and the Grenadines, St Lucia and Dominica. The \$10 bill is blue and brown on the front and blue on the back and includes a stylised design of a windsurfer on the watermark area of the front and a conch shell beneath the central value in words. The bank vignette depicts a typical, authentic but intentionally unspecific island harbour scene complemented with the use of a local flower, bird and fish in the borders. Customer reaction to the new note? "It's a lot lovelier than the other ones," declared one woman here. It seems acceptance was similar elsewhere in the ECCB states. (CANA) [Text] [Bridgetown SUNDAY SUN in English 18 Nov 84 p 13]

**CONSTRUCTION COST CONCERN--Roseau, Dominica--**The Barbados-based Caribbean Development Bank (CDB) has expressed concern about the increasing cost of constructing vital feeder roads in the Windward Islands. Director of the bank's project department Dr Bernard Yankey told a one-day workshop here that the money allocated for the construction of feeder roads has not been going far enough and that the cost per mile has reached the ECS1 million. "The fact that, from request, we observe that even though costs are increasing, the priority roads are not providing even the minimum benefits to justify its use; even the aid donors who give grant money today are asking that these investments generate financial and economic returns," Dr Yankey said. He pointed out that while the bank has been involved in feeder road construction in the Lesser Developed Countries of the region, the greater demands for such roads came from the Windward Islands. "It seems to me therefore that in a world where the cost of inputs are tending to out-manoeuvre us, we must look for ways and means to cut costs as far as it is technically feasible and thereby attempt to make investments beneficial to the country," he said. (CANA) [Text] [Bridgetown SUNDAY SUN in English 18 Nov 84 p 13]

**ECUADORAN GROUP SUPPORTS NICARAGUAN SOVEREIGNTY**--Ecuadorans living in Nicaragua have asked their country's congress to identify with Sandino's homeland to prevent an eventual U.S. invasion. In a letter sent to the Ecuadoran congress president Raul Baca, the Ecuadoran group denounced the many aggressions and violations of Nicaragua's sovereignty by anti-Sandinist groups supported by the U.S. Government. The group also denounced a campaign against the Contadora Group's peace efforts. [Text] [Havana International Service in Spanish 1600 GMT 26 Nov 84 PA]

**CHILE, URUGUAY PROMOTE TRADE**--Antofagasta--The Chilean Chamber of Trade created a bilateral chamber of commerce to give incentive to trade between the two countries. It requested background and information about the activities that the local chamber of commerce is doing to promote trade with the rest of the countries in the Southern Cone. The president of the Chilean Chamber of Commerce, Domingo Yoma, received a letter from Horacio del Valle, first secretary of the Chilean Embassy in Uruguay. He indicated that the bilateral chamber now has more than 100 members which include companies from all over the country, both exporters and importers. The letter added that the priorities include maintaining constant contact with the Uruguayan chamber of commerce in this country to learn concerns about the market in Uruguay. [Text] [Paris Guicharrousse] [Santiago EL MERCURIO in Spanish 1600 GMT 26 Nov 84 PA]

CSO: 3348/168

WILDCAT STRIKES, UNION ELECTIONS REPORTED

PY292136 Buenos Aires BUENOS AIRES HERALD in English 29 Dec 84 p 9

[Text] (MLL-NA-DYN)--Railway workers and telephone company employees staged staggered strikes yesterday to demand payment of half-year bonuses while the Auto Workers' Union (SMATA) announced a "state of alert" and implemented work-to-rule measures to demand pay hikes.

Rail workers on at least four of the country's six lines staged wildcat strikes all day yesterday, with some workers' assemblies announcing 24-hour stoppages or work-to-rule action.

Labour Minister Hugo Barrionuevo warned rail workers they could face sanctions unless they lifted the strikes, while the ministry announced a meeting between leaders of the four railway unions and Ferrocarriles Argentinos.

The strikes started on the Sarmiento line around midday and quickly spread to the Urquiza, San Martin, and Mitre lines.

Unionists said workers' assemblies decided on the strikes after the state-run rail company on Thursday night said it would not be paying workers' half-year bonuses yesterday but rather on next Friday.

Train drivers' union president Luis Etchezar admitted the strikes were called by the workers and not union leaders, but said "it is very common in the railway unions for protest measures to be taken by assemblies."

In a separate strike, Buenos Aires telephone workers and employees began work-to-rule measures on Thursday, continued them yesterday, and promised they would continue until Entel comes up with their half-year bonuses. It was reportedly the first time in the 40 years of the bonus system that Entel has failed to pay workers before the end of the year.

Telephone staff in the rest of the country staged two-hour strikes per shift to voice the same demands.

Meanwhile the Postal Workers' and Employees' Federation (FOECYT) gave ENCOTEL until next Friday to pay staff in cash and not by check or else face strike action.

Trade unionists from around the country yesterday announced their strike lists, in what could develop into more "direct action" unless specific demands are met within 15 days.

In Santiago, Chile, the incumbent Orange list defeated the Green list in the Buenos Aires branch of the Association of Armed Forces civilian personnel election, which voted.

In the election of National Court Employees (UEJN), the Green list, backed by CGT Secretary-General and United CGT executive board member Horacio Alonso, claimed victory, albeit as the Blue list was outpolling it 1,199 votes to 1,000.

Ballot boxes still being counted yesterday in the Buenos Aires bank clerks' association election held almost two weeks ago. Electoral Board Secretary General told the HERALD that as of Thursday night the Purple list, which had 1,100 votes, was 152 votes ahead of the Crimson list with 2,400 votes still to be counted.

The People's Party finance secretary candidate, Fernando Aguero, told the HERALD that current national AB Secretary-General Juan Jose Zanola had lost his seat in the election across the country. Zanola's White list was also defeated, he said, and the Purple list, which had 12,502 in its favour.

When the HERALD asked Grinspun responded "Don't ask me stupid questions" when asked if he had been questioned him on whether he and Labour Minister Barrionuevo had agreed to demand for wage hikes next year. Meanwhile, the socio-economic commission postponed until next Thursday a decision on next year's minimum wage increase.

HERALD

DEFENSE BILL AIMED AT 'REORIENTATION OF MILITARY POLICY'

Buenos Aires LA NACION in Spanish 20 Nov 84 p 8

/Text/ The composition of the Armed Forces Supreme Council was not, by any means, the only topic discussed last Sunday afternoon when the president met at Olivos with Minister Borras and with the chiefs of the armed forces.

By then, the government already knew that one of the retired high-ranking officers listed as possible candidates to fill the vacant positions, Maj Gen Isaias Garcia Enciso, was willing to become a member of the council. It also knew that there would be additional positive replies within a few hours. So the government seemed to have found a way to resolve the crisis which had left the military judiciary system without a high court of appeal.

The meeting at Olivos was also attended by Minister of Foreign Affairs Dante Caputo and Minister of Interior Antonio Troccoli. The presence of the foreign minister indicates that the talks touched upon a subject considered as very important by the government and the ruling party--the evolution of the situation in Nicaragua.

Troccoli's presence alongside with Borras and the military chiefs indicates that the Central American issue poses a dilemma in terms of national policy.

One can certainly point out that the importance of the Sunday meeting as well as its agenda are an indication of the fact that apart from the obviously controversial nature of the Nicaraguan problem itself, the government is approaching it with a historic precedent in mind.

One cannot fail to remember that the discussion about Argentina's attitude to the landing of U.S. forces in the Dominican Republic 20 years ago provoked a bitter political debate during the administration of Arturo Illia and contributed to further deteriorate the already strained relations between the Radical government and the then most prominent sectors of the armed forces.

Therefore, military circles had good reasons to declare yesterday that besides the already-mentioned topics, the meeting at Olivos also made a profound analysis of topical issues concerning the relations between the government and the armed forces, and that, as a result of this analysis, progress or compromises had been achieved in the matter of drawing up a policy to redirect these relations.

### Problem

Which is why these same sources declare that the topics discussed in Sunday include the crucial document drawn by middle-rank officers in active service, released last week; the question of the Council; the release of the reserve lists attached to the report of the CONADEP; the consequence of the mass organized by Fimus a few weeks ago and the salary situation of military personnel.

As for Borras, he came to the Olivos meeting with knowledge of the current mood within the military. Last Friday, after addressing 250 army chiefs who were attending a course for unit commanders, Borras talked to many officers individually. He listened to their complaints about how some investigations dealing with the antisubversive struggle are being conducted; he saw that they rejected and were annoyed by the hostile remarks made by some political sectors and he was even asked about the prospects of new outbreaks of terrorism.

By then, the minister knew that his request for a 16 percent pay increase for military personnel had been rejected by the minister of economy, Bernardo Grinspun, and that given the very strong reaction that this was going to provoke, he would have to submit the matter to the president for him to decide.

Finally, the minister of defense was probably also aware of the fact that several senators, who are members of the Justicialist Party, intend to present reports showing that the Defense Law now in force--enacted during the government of Lieutenant General Onganía--bars the minister of defense from exercising duties currently delegated on him by the commander in chief, that is to say by the president.

### Road to...?

It is therefore normal that the act of sending the draft Defense Bill--completed a few months ago by Borras' civilian advisers--is being described as the first step in the "policy of reorientation" outlined during the Olivos meeting.

The preliminary draft has many similarities with the Spanish Defense Bill enacted by the Adolfo Suárez administration after a great amount of effort and involvement in the part of the socialist Enrique Mujica, then chairman of the Defense Committee in the Cortes. The effectiveness of that type of legal system to govern relations between the political and military powers had already been mentioned in the talks between Spanish and Argentinian top officials from that sphere which were held during Alfonsín's official visit to Spain last July and could have been discussed again during the meetings that Borras had the previous week with his Spanish visitor and colleague, Narcí Serra.

The presentation of the new Defense Bill could also help to expedite the usual changes which take place at the end of the year--promotions, reassessments, retirements--a business which has been delayed by several months this year.

If this were the case, the Ministry of Defense could also send to Congress the documents pertaining to promotions requiring approval from the Senate.

Whether or not this question is resolved, the attitude of the various parliamentary groups, and more particularly the attitude of the ruling party, during the long debate on military issues which is likely to take place if the Defense Bill is sent to Congress, will be a very good indicator as to the course the government intends to follow on that question.

8796

CSO: 3348/152

STEPS LEADING TO ARMED FORCES SUPREME COUNCIL CRISIS VITIM

Buenos Aires LA NACION in Spanish 15 Nov 84 p 20

/Text7 According to some military observers, the crisis which unfolded yesterday in the Armed Forces Supreme Council had developed in four stages.

The first stage was when the Military Justice Code was revised and appeal cases were brought under the jurisdiction of the federal courts as a result of the replacement of Art 428 of that code by a new article which stipulates that final decisions rendered by the military courts could be subject to appellate action before the Federal Court of Appeals with territorial jurisdiction in the area where the events leading to the trial had taken place.

The military judges were annoyed by these changes and, at the time, some of them said that they wanted to resign from their posts.

But after discussing the matter, no resignation came forward with the exception of Brig Gen Emiliano Flouret (Ret) who requested to be allowed to leave his post for "personal reasons." He was replaced shortly afterwards by Maj Gen Jose Maria Diaz (Ret).

Meanwhile, the government had extended the appointment as judge advocate of Gen Eros Juan Cazes, whose term of office had expired, and Gen Rafael Zaballa Carbo (Ret) was appointed as board member.

**Controversial Report**

According to military circles which we have consulted, the second act took place in mid-September when the Armed Forces Supreme Council sent a report to the Federal Congress because the period set for the council to issue its ruling had expired.

That controversial document, which provoked various reactions even among officials and leaders of the ruling party, stated that it was impossible to make progress in disposing of all cases as promptly as required and, therefore, that the court could not reach verdicts under the conditions set by the federal Congress which had granted an extension to the 6-month period allowed by the executive branch to investigate "suspected homicides and the use of torture against detainees."

The report contended that from an operational stand point, there was no grounds to challenge the orders issued by former commanders. However, it added, at first view, there was solid evidence regarding the conduct of the trial which made impossible to reach a verdict "merely on the basis of the documents presented."

Perhaps this represents what various government sources call the "political element" and it was the beginning of the difficulties. In fact, since before and after the report was released, the members of the tribunal had discussed at length the possibility of formulating a guilty verdict.

The final act, being quite recent, is well known. On December 10, the defense council sent a note to Minister Borras expressing their dissatisfaction at they perceive as a smear campaign which, they say, "has been conducted" by groups inside the government. The minister replied to the note, but the note did not satisfy the members of the tribunal.

Borras reiterated to the military judges that he would appeal to the courts to defend his reputation and honor.

The undersecretary of defense, Jose Horacio Jimenez, who was present at releasing the text of that reply to the press, told reporters recently, that official and Borras had a stormy meeting with the chief of staff which lasted 1½ hours.

From then on there was increasing speculation about the future of the trial in the high military court.

Perhaps the administration itself was surprised by the attitude of the court and all the members of the council tended their resignations. In particular, particularly, by the fact that the first to do so was General Jose Bustamante Bustamante (Ret) who is said to be more in tune with the views of the present government.

Now Borras must quickly resolve the problem of the trial. He can do nothing, in the view of some observers, he runs the risk of being accused of attempting to demand jurisdiction over all the cases and thus to usurp the prerogatives of the executive power.

Borras is faced with two alternatives: he can either accept the resignations of officers ordering them to take up their new responsibilities or he can draw a list of retired officers who are likely to accept the trial.

Borras cannot force these officers to accept the trial. It is a matter of law that officers called back into active service which is very difficult to do. In any event, it is felt that such step can only be taken for reasons of national security.

8796  
CSO: 3348/152

DEFENSE MINISTER, ARMED FORCES CHIEF DISCUSS MILITARY ISSUES

Buenos Aires LA NACION in Spanish 20 Nov 84 p 6

/Text/ Yesterday, Defense Minister Raul Borras met in his office with Maj Gen Ricardo Pianta, chief of the army general staff, to discuss the problem of the army's budget and the growing concern felt by army cadres in view of the lack of funds to meet basic requirements. The situation has reached the point where adequate training is affected and there have been problems of management.

In this respect General Pianta said yesterday in Azul that "each sector of the country must adjust to the cuts" and pointed out that the army will carry out its duties with whatever resources the nation is able to allocate to it "but," he added, "this will obviously mean making sacrifices."

This meeting was a followup to the one which Borras and Pianta held last Sunday at Olivos with President Alfonsin, a meeting also attended, as reported by LA NACION yesterday, by Antonio Troccoli, minister of interior; Dante Caputo, minister of foreign relations and worship; Lt Gen Julio Fernandez Torres, chief of joint staffs; Vice Adm Ramon Arosa and Brig Gen Teodoro Waldner, chiefs of staff for the navy and the air force

Supreme Council

In the course of that meeting they also discussed the reorganization of the Supreme Council of the Armed Forces, a court which, according to reliable sources, will be entirely made up of retired high-ranking officers.

The subject was discussed yesterday by Borras and Horacio Juanarena, the under-secretary of defense, on the basis of a list of names drawn by the chiefs of the armed forces general staff.

It has not been ruled out that some of the resignations tendered by the former members of that court could be rejected, one of these being the resignation of its chairman, Brig Gen Luis Maria Fages (Ret) who had made every effort to stop the members of the military court from resigning in block.

The military tribunal will consist of nine members, three for each branch of the armed forces and, according to a reliable source, the names of high-ranking officers being mentioned in recent days are pure speculation.

## LABOR UNIONS FORESEE 'MASS LAYOFFS'

PY281738 Buenos Aires BUENOS AIRES HERALD in English 28 Dec 84 p 11

[Text] The Metal Workers' Union (UOM) and the Textile Workers' Association (AOT)--Argentina's major industrial unions--issued separate statements claiming employers have started "mass lay-offs", as Labor Minister Hugo Barrionuevo claimed that unionists who criticize the government-announced aid for laid-off workers are "confused as to the real significance" of the plan.

AOT Secretary-General Pedro Goyeneche met with Barrionuevo yesterday to express his union's concerns about new lay-offs and afterwards told reporters that 30 percent of the AOT's 75,000 members are threatened by some type of work suspension.

In its statement the AOT noted that over 4,000 textile workers at 60 factories nationwide are now being forced to take work reductions, which range from shorter work days to three-month dismissals.

The UOM, led nationally by Justicialist Party Second Vice President Miguel, warned that metallurgy plants have started applying "mass lay-offs, reduced work days, payment of salaries in quotas, suspensions," and other measures reducing workers' wages.

The 300,000-strong UOM added that employers are "working with the enemies of democracy" by applying these measures. Barrionuevo, a former unionist himself, said that union men criticizing the aid plan were confused because the government's idea "is not to create an unemployment insurance", which would require congressional approval, but rather to "provide assistance to the family of those unemployed that covers its (the family's) minimum needs."

On the strike front the sugar workers occupied the Las Palmeras factory in Chacon on Wednesday after a brief encounter with border patrol guards who scattered machinegun fire into the air to try to halt the workers and their families.

Union leaders and congressmen arrived in the federal capital yesterday for talks with officials of the Health and Social Action Ministry, which controls the factory, to demand payment of November wages and an explanation of the behavior of the border patrol guards.

CSO: 3300/6

ARGENTINA

BRIEFS

PERONISTS SWEEP RAILWAY ELECTIONS--(NA-DYN)--Railwaymen were very much in the forefront of labor news yesterday, both on account of their internal union elections, whose results emerged yesterday, and of sporadic strikes staged by signalment on all lines except the Roca, between six and eight yesterday morning. Raul Ravitti of the Peronist Green List (which, like most Green lists, is backed by the Committee of 25 labor groupings) was the apparent winner of the 140,000-strong Union Ferroviaria (UF) elections. His list, traditionally victorious in UF polls, gained 32 of 37 seats on the UF executive committee, the remaining five also going to Peronists. In yesterday's vote-counting the Green List, which only lost on the Sarmiento line, has won 27,253 votes as against 20,490 for its opponents, including only 2,241 votes for the traditional Pink List. No incidents were reported in the polls, which were supervised by 1,800 policemen. In other labor news, the Entre Rios provincial government declared the week-long bank clerks' strike illegal, while ENCOTEL telephone workers decided on a work-to-rule for this week. The bank clerks are seeking a \$a 25,000 hike for a minimum wage of \$a 62,000. Finally workers at the daily IA PRENSA accused the newspaper of not including a Labour Ministry compulsory arbitration order covering their dispute with management in the news items. [Text] [Buenos Aires BUENOS AIRES HERALD in English 23 Dec 84 p 13 PY]

CSO: 3300/6

WORKERS UNION MEMBERSHIP EXPERIENCES 6-PERCENT DECLINE

Bridgetown BARBADOS ADVOCATE in English 17 Nov 84 p 1

[Text]

The Barbados Workers' Union (BWU), which had 30 000 members up to 1981, has since lost one-sixth of its membership due to lay-offs or redundancies.

According to trade unionist, Mr. Tennyson Beckles, this decline in the BWU's membership was particularly significant last year.

Mr. Beckles, Senior Tutor at the BWU Labour College, said that of the 25 000 people out of work, 5 000 were members of the BWU.

And he told a discussion yesterday on "The Barbados Economy: Reviews and Prospects" that the trade union movement in Barbados was still operating in an adversary system.

Mr. Beckles said the BWU was urging employers to find some new method of discussing their problems with the union.

"Employers just send people home and then the trade union must react," he said.

Mr. Beckles said he could see a hardening of this adversary system, which, he added, "was bad."

"I can see a dampening of the economy significantly reducing people that work.... I cannot see any sign of an upturn in 1985," he said.

The trade unionist felt the Barbadian economy would only move forward when there was a change in the political system.

He saw the need for decentralisation in terms of political management.

He said there should be a community-based organisation articulating the views of the small businessman and carrying out community projects, which would east Central Government.

He said that in this way there would be a greater degree of development planning from below.

"Right now everything is centralised at the top," Mr. Beckles noted.

CSO: 3298/226

\$1.2 MILLION ADDITIONAL AID FOR FLOOD VICTIMS NEEDED

Bridgetown BARBADOS ADVOCATE in English 20 Nov 84 p 1

[Text]

Government still needs an additional Bd\$1.2 million to rehabilitate the flood victims of the October 31 flood which did severe damage mainly to the St. Peter area.

Mr. Aaron Truss, the new Minister of State, with responsibility for the Central Emergency Relief Organisation (CERO) at his press conference yesterday at Government headquarters, said that over \$2 million in damage had been done and Government had so far voted \$807 000 to help with the relief effort.

"The preliminary estimate from the engineers reveal that there is over \$2 million in damage. Parliament has voted about \$807 000, but we still have approximately \$1.2 million to raise. Part of my job would be to try and raise that money, locally and overseas in the form of covenants from the local people and grants from those overseas, so that we can get some measure of relief without having to go to the public first to find that money," he said.

Mr. Truss said that the CERO had discussed the possibility of setting up a covenant by which business enterprises can give to

CERO over a three-year period as is done in charitable organisations, and that was tax deductible.

He said that he felt it would go a long way.

Mr. Truss said that some 25 houses were reportedly damaged and 67 families which comprised 218 persons were dislocated in the Speightstown area.

According to the Minister, the housing damage is estimated to be between \$400 000 and \$500 000.

To date, all of the families have been accommodated. The Ministry of Housing, through the National Housing Corporation (NHC) has provided accommodation for 14 families.

Three families are at Battaley's, St. Peter; five at Haynesville, St. James; two at Kensington Lodge, Passage Road, St. Michael; one at Belleplaine, St. Andrew and two at Pinelands, St. Michael.

Mr. Truss said that the Welfare Department got temporary accommodation at four flats in Sunset Crest, St. James for a month.

Other families are staying with friends and relatives, pending repairs and possible resiting of their houses.

CSO: 3298/226

BRIEFS

CRUDE REFINING--Barbadian motorists are now filling up their tanks with Barbadian gasolene produced from Barbadian crude oil. Minister of Energy Senator Clyde Griffith told the WEEKEND NATION yesterday, as much as 80 percent of "straight run" gasolene was being produced from local crude. He also added Barbados was on the path to self-sufficiency in its consumption of diesel and kerosene. Senator Griffith explained the production of gasolene from local crude was done locally at the Mobil Refinery and involved the purchasing of reformate from Trinidad to assist in reaching the required octane level. He said "very little" raw crude oil was being imported into the island and disclosed that 526 000 barrels had been produced up to the end of October this year, which exceeded the half million barrel target projected by a four-year development plan. Senator Griffith said despite an increase in diesel consumption, mainly to facilitate the needs of the Barbados Light and Power and additional fuel importation for the Arawak Cement Plant, Barbados had already saved over \$1 million on petroleum imports this year. Outlining the distribution of local crude, Senator Griffith said 55 percent was processed to fuel oil and the remainder to gasolene, diesel and kerosene. The energy minister anticipated local crude oil production should be in the vicinity of 635 000 barrels at the end of the year, surpassing a projected target by over 100 000. The state-owned Barbados National Oil Company reported in July that the first six months had produced 304 000 barrels compared with 379 000 for the whole of last year. [Text] [Bridgetown THE WEEKEND NATION in English 16-17 Nov 84 p 1]

INDUSTRIAL ACTION--Some 15 employees of the Barbados Light and Power (BL and P) have been suspended following industrial action at the plant yesterday. The affected workers said they were informed of the suspension pending the outcome of a meeting with management and the Barbados Workers' Union. The employees, diesel turbine mechanics, took the action to demand the replacing of a non-unionised worker. They are also demanding job security and an end to what they said was harassment. "We want to get everything straightened out now," one employee was quoted as saying. The workers' bargaining body, the Barbados Workers Union (BWU) was called in. [Text] [Bridgetown BARBADOS ADVOCATE in English 17 Nov 84 p 1]

CSO: 3298/226

NEVES STRATEGIES FOR CAMPAIGN, GOVERNMENT VIEWED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 8 Dec 84 p 6

[Article by Carlos Chagas: "Tancredo is his own Strategist"]

[Text] Only as a euphemism can it be said that Tancredo Neves has a political campaign command because actually he is the only one who commands and he is against organizational charts, plans and tactics. Everything he does is on his own decision, which sometimes agitates and frustrates his aides, but is also deceptive when the behavior of the candidate follows some previous suggestion. In such a case it is because he wants to do it or because he already thought that way and not because it was recommended to him.

This preamble is presented so that an idea may be formed as to the progress of the process taking him to the Presidency of the Republic, something taken for granted some time ago. When he decided to leave the Palacio da Liberdade to run for election, Tancredo Neves imagined three fundamental phases he would have to face: the battle of the vote, with the PMDB [Brazilian Democratic Movement Party] vote and that of two lesser parties and the PDS [Social Democratic Party] dissidents assured for facing Paulo Maluf, something which he supposed would last until 15 January. Then would come the battle of taking office, a field in which he would have been fighting previously but on which he would concentrate his attention until 15 March. A rapprochement with the government would become necessary, as would the smoothing down of the military feathers, the retreat of pockets of radicals in the system and the defeat of those who are unhappy with the loss of power, plus a sort of moderation of the left. Finally, also before being sworn in, his attention would have to be focused on the preparation of basic ideas, not of a complete program of government, but of basic guidelines based on his statements which with various allowances would give body to a structure of action. That third phase would require a rapprochement with members of the present government, a search for information, dialogues and, at the same time, a rallying of factions around the forces who supported him. Only after this would be the time to select ministers and advisers.

Events overwhelmed projections. The battle of the vote was won a few weeks after the PDS and PMDB conventions. The Maluf campaign collapsed like a house of cards, surprising everyone including Tancredo Neves, who never thought it would be so easy to win in an indirect election. The peculiar

methods of the adversary and his domineering and obstinate attitude did not help Maluf, much less the commitments he imagined he would maintain and win in terms of support the government would give him. Neither did the government act nor were the peculiar methods of wheedling votes effective. In October the victory of the Democratic Alliance was already obvious and from then on it was only a matter of accepting more support. The victory by Tancredo will no longer be by a margin of 100 votes of the 686 votes which were certain on the eve of the meeting of the Electoral College. Now the difference exceeds 200 votes and it is more than probable that the result will conclude by being more than 500 votes in favor of Tancredo against a few more than 150 votes cast for Maluf.

Therefore, the pleasant remedy was to face the other phases early, and here was another surprise. The battle for taking office lasted but a short time, it ended even before the election. After becoming a candidate, the former governor of Minas Gerais confronted the radicals. The red flags of his rallies were being used as a pretext for the allegation that he would be a toy in the hands of the left. Supposedly unknown persons, but of very obvious origins, painted wall slogans and placed posters on walls, describing him as a revanchist and saying he was ready to become the Brazilian Alfonsin. Because of the innocuousness of the argument, as well as because of the firm and decisive position adopted by the military high commands, everything was over in a short time. No longer is there any talk of revanchism, of the leftist danger or similar threats. In a speech made Wednesday to the highest ranking general officers, President Joao Figueiredo himself confirmed the reality known for a long time. It is a time for accepted and approved changes.

Tancredo Neves, therefore, was ahead of the third phase of his personal forecast. It is now a matter, before being elected and sworn in, of what his government is going to be. It is a matter of establishing specific guidelines that will allow him to prepare the real program of his government in record time, once he is installed in Planalto Palace. There is no mention either about his meetings with Delfim Netto, Delio Jardim de Mattos and Walter Pires, in addition to others held with members of the top echelon of the government. It is important to note that his delegates are already visiting the ministries, which have been opened by order of President Joao Figueiredo. Francisco Dornelles is one of the bridges, it being noteworthy that he has remained as chief of Federal Revenue for the mutual benefit of Tancredo and the government. He attends most of the important meetings called by Delfim Netto for the adoption of the last initiatives in the economic-financial field, in addition to maintaining other equally important contacts. On Thursday he went with President Joao Figueiredo from Brasilia to Mato Grosso and Sao Paulo as a special guest. He is not the only one to have access to Olympus, since Jose Aparecido de Oliveira, Roberto Cardoso Alves, Aluisio Alves and others have talked with the chief of government and ministers. Therefore, as personnel of a technical level previously headed by Dercio Garcia Munhoz and now by Jose Serra, they make use of the free transit offered them by visiting the ministries. It is obvious that the subject is much broader since understandings with the government are

only a part of the actions of those charged with collecting suggestions for the basic guidelines of the future president. Businessmen, unions, the universities, intellectuals, the clergy and several social sectors are being consulted. There is a great deal of time: until 15 March.

In short, the three phases of the campaign were dealt with ahead of time, the first two became short and gave time for the third. The only thing about which nothing is said, but to which too much thought is given, is the makeup of the ministries. Tancredo must have in mind the greater and lesser options, but at no time will he reveal them because they could even change. Whoever says that he is already a minister is risking a terrible frustration and it will be only in early March that the ministries will be known and announced.

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CSO: 3342/62

PMDB, LIBERAL FRONT MEMBERS DEEM COEXISTENCE POSSIBLE

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 8 Dec 84 p 7

[Text] The three principal leaders of the three executive committees where the problems of coexistence with the Liberal Front are the greatest: Pernambuco, Bahia and Maranhao, believe that it is possible to reach an agreement and even assert that "there will be no crisis in case Tancredo Neves chooses an adversary for his ministries."

Renato Archer from Maranhao, an adversary of Jose Sarney even before 1964, says that coexistence among opponents was always possible in Brazilian politics and he makes it a point to recall the Broad Front "created in 1966 by Carlos Lacerda, which generated all this movement and made possible the now victorious alliance with Tancredo Neves."

No Problems

Former Senator Marcos Freire, defeated candidate for governor of Pernambuco, declared that he will not propose a veto in case Senator Marco Maciel of the Front is called to serve in a ministry.

"Pernambuco gave an example of political awareness in this phase of democratization despite difficulties and differences. The state, through the PMDB [Brazilian Democratic Movement Party] and the dissidents of the PDS [Social Democratic Party] led by Governor Roberto Magalhaes, from the beginning rallied around the candidacy of Tancredo Neves."

For Marcos Freire "what counts now are the greater interests of Brazil and nothing can be considered in terms of personal wants."

He also said: "Right now the name of Marco Maciel is being mentioned for the Presidency of the Senate and Pernambuco has no reason to be against that." He averred that he is sure "the Liberal Front is not going to consider things in terms of vetoes against anyone."

An identical opinion is expressed by Waldir Pires of the PMDB of Bahia, where differences with the PDS group of former Governor Antonio Carlos Magalhaes are even stronger and older.

According to Waldir Pires, defeated candidate to the Senate in 1982, the PMDB believes it has a commitment to the changes in the country," but knows very clearly that at this moment the country needs democratic reconstruction and that is done on the basis of the reconciliation of all forces."

Even maintaining his differences with Antonio Carlos Magalhaes, Waldir Pires guarantees that the PMDB of Bahia "will not veto anyone" and that the party knows that its commitment is that of transformation and winning a place in history.

"All that transformation shall be accomplished with the PMDB. However, I can assure you that we shall not cast a single veto against anyone; no restriction on the forces that seek to overcome the cycle of authoritarianism and rebuild the democratic history of Brazil."

Waldir Pires also said that "it is of little importance as long as there is true reciprocity," this means that it is known that Antonio Carlos will not veto anyone from the PMDB:

"We are creating our line of action and struggle on the basis of very clear and very long-held ideas. Those who were against us may not be so in the future but they will never change our line of behavior."

Renato Archer repeats the arguments in almost the same words "because the process of transformation from a dictatorship to a democracy is very difficult." He mentioned Spain, which "did this before us and which despite the presence of the king, who is a true statesman, had to face the assassination of Carrero Blanco and the military occupation of Parliament by General Molina."

He said that now the candidacy of Tancredo Neves has managed to rally around it the most important political front existing in the country, attributing this fact to the former Broad Front "in which Carlos Lacerda was able to propose a solution to the country, which was finally accepted today. That is why, because of my experience in the former Broad Front, I believe that such coexistence, which is naturally difficult, is going to be possible, as is the case of Maranhao, where we all made an evaluation of the process and came to the conclusion that Brazil deserved our sacrifice.

"Therefore, it was possible to arrive at a coexistence and even understandings with Senator Jose Sarney, because this is always possible, also as was proposed by Carlos Lacerda 16 years ago."

Renato Archer also said: "This process is complicated and always slow, but we are all sure that we will get there." He added: "The Liberal Front has links with the existing government and there is a tendency to preserve some things, but that is coming to an end."

Archer also said that the greatest difficulties, such as those of Bahia, for example, are almost restricted to the Northeast and that in the largest states the popular sentiment for democracy created by the great front "predominates widely."

NAVY MAY EQUIP CARRIER WITH BRITISH HARRIER FIGHTERS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Dec 84 p 2

[Article by Roberto Godoy: "The Navy Chooses the British Harrier Fighter for the 'Minas Gerais'"]

[Text] The Brazilian Navy could equip the Aircraft Carrier "Minas Gerais" with a squadron of British Sea Harrier vertical takeoff fighters, one of the most advanced naval combat aircraft in the world. That choice is being studied by the Naval High Command as a better choice than the Skyhawk jets initially considered because there now exists the possibility of a deal favorable to Great Britain. The British subsonic jets would be considered as a commercial tradeoff for the possible choice of the Brazilian turboprop T-27 Tucano made by EMBRAER [Brazilian Aeronautics Company] which is competing in the international Royal Air Force search for a training model. The information was confirmed in Brasilia by sources of the office of the minister of the navy, Adm Alfredo Karam.

The same officers pointed out, however, that it is a matter of a simple technical feasibility study "being permanently carried out by the navy and there is no move yet with respect to entering into a possible contract." This executive phase, they point out, first goes to the specialists of the Ministry of Aeronautics "since by law attack aircraft, even carrier based, belong to the Air Force, which operates, maintains and purchases them." In London, officials of British Aerospace, the manufacturer, also officially confirmed yesterday that contacts have existed "since 1982, which have been periodically renewed for updating."

The first choice, made in 1983 and announced by the then Minister Maximiano da Fonseca, was the U.S. fighter-bomber Skyhawk, which appeared to be the most indicated for the "Minas Gerais" because of the conditions of weight and price per unit. The intention of the ministry at that time was to purchase 12 jets in a joint operation with the Brazilian Air Force. The most interesting offers were made by Israel, which has refurbished aircraft, electronically modernized and equipped with engines with greater thrust than the originals, and by Australia, which was engaged in passing on its fleet of Skyhawks, which were deactivated in its naval-military fleet. The lack of resources, however, prevented the accomplishment of negotiations.

### **The "Minas" and the Harrier**

The A-11 "Minas Gerais" the flagship of the Brazilian Fleet, is a light aircraft carrier of 19,890 tons displacement under battle conditions. It was built in 1945 and purchased by the then president, Juscelino Kubitschek, in England and refurbished in Holland. After that, between 1979 and 1981, it went through a partial electronic modernization, receiving a computer system compatible with those of the missile frigates of the Niteroi class, the most modern ships in the navy. With a 1,300-man crew, it acts basically as an antisubmarine ship, launching up to eight S-2E Tracker aircraft plus eight multiple-use helicopters. Its self-defense weapons consist only of 10 old 40-millimeter cannon in double and quadruple mounts. To employ the Harriers, few adaptations would be required, basically they would be the reinforcement of the flight deck and a launching ramp on the bow with a 12 degree incline for facilitating an extra-short takeoff by the British aircraft.

The FRS-1 model of that series of naval fighters has some extremely advanced technology, but is also very expensive: A complete squadron of six units would cost more than \$150 million, included in that total, according to the builder, is a high-performance simulator for the training of crews.

The Sea Harrier literally stops in midair like a helicopter. It does more: It performs a maneuver known as a "sudden stop," basically, for example, in situations of aerial combat, when the FRS-1 in flight drastically reduces its speed, virtually braking in midair--"faking out" its adversary. It is a subsonic fighter, but it flies at more than 1,100 kilometers per hour and it carries two 30-millimeter Aden cannon, two air-to-air missiles of the Sidewinder type (the Brazilian Piranha, which the DF Vasconcelos Company is building, is based on it), in addition to four underwing pylons for carrying bombs, rockets or air-surface antiship missiles, for a total of 3,628 kilos of military ordinance. In that configuration, the aircraft has a range of 750 kilometers.

Placed in operation in 1978, it was adopted by the Royal Navy in 1979 and purchased by India in 1980. It went into combat during the Falkland Island/Malvinas conflict in 1982. The Sea Harrier has undergone significant modifications with respect to the basic model, such as a reduction in its total weight from 13 tons to a maximum of 10,000 kilograms and the installation of a Pegasus MK103 turbine, which has been adapted for use under adverse oceanic conditions. The transparent canopy of the pilot's cockpit was raised and designed in the form of a "total vision blister" allowing a view of the rear section of the aircraft. In tests, that impressive combat jet has already been used (without catapults or arresting hooks) from the decks of cargo ships, from a large sailing ship, and even from the heliport of the royal yacht "Britania," the private yacht of Queen Elizabeth and her family.

### The Fleet Plans an Aircraft Carrier

According to officers of the Brazilian Navy, the intention of the fleet after studying the possibility of acquiring the jet, is that of training its crews as of now for the advent of a large nationally planned aircraft carrier, which is going to join the navy by the end of the next decade and will carry, in addition to attack fighters, antisubmarine aircraft and airborne electronic surveillance stations. "We cannot wait too long in creating the operational mentality and the pertinent professional personnel for the needs of that near future," they emphasized.

The foreign trade balance with Great Britain is favorable to Brazil, which buys nearly \$200 million annually in British military equipment (torpedoes, ship and submarine components and miscellaneous electronic materials). With the possible selection of the Tucano by the RAF for advanced pilot training, it would be relatively easy for the country to offer a compensation in the form of the purchase of the six Sea Harriers and operational support items. That transaction would also be accomplished, through the inclusion of a direct exchange channel, which means completing payment by providing raw materials.

### Brazilian Air Force Disavowal

The incorporation of the Sea Harrier into Brazilian naval aviation is "only an internal intention at the preliminary level of study" of the navy itself, said ranking officers of the Ministry of Aeronautics. According to them, "it is unlikely that a deal of that scope could be negotiated in the foreseeable future." In the opinion of those same military men, "the large investment needed is not compatible with the program of priorities of the Air Force, which is aimed in other directions." Actually, British Aerospace invited a Brazilian Air Force group linked to the General Air Command to visit its installations in England and test the vertical takeoff aircraft a little more than 2 years ago. The report on the aircraft was not exactly favorable: According to the report, the Sea Harrier would not be completely usable in the country because of the highly sophisticated maintenance required and the high operational costs.

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BUSINESSMEN DOCUMENT 10 PROPOSALS TO PROMOTE EXPORTS

Sao Paulo VISAQ in Portuguese 8 Oct 84 p 68, 69

[Text] The decisions of the Seventh National Exporters Meeting (ENAEX), which assembled more than 500 exporters in Brasilia at the end of September, represented a platform of the export policy of the future government much more than demands for an administration that is coming to an end. Discussions revolved basically around what is going to happen in 1985, with the prediction of a reduction of American imports, and of what must be done to maintain the growth rate of foreign sales. This year's successes--a balance of \$12 billion--were boisterously celebrated; however, in between toasts, the principal export leaders did not fail to point out the existence of a reasonable dose of uncertainty regarding the immediate future, as VISAQ had foreseen (3 September 84, p 62).

In the opinion of the main star of the meeting, the president of the Association of Brazilian Exporters (AEB), Laerte Setubal, "there are chances" of the president of the republic, "whether he be Tancredo or Maluf," adopting two of the ten suggestions of the final document approved by ENAEX VII: the organization of an import-export bank (a sort of Brazilian Eximbank) and the creation of an export credit insurance company.

Setubal apparently received the green light from the candidates for the Eximbank because he plans to organize a seminar led by former Planning Minister Mario Henrique Simonsen, as soon as possible, for the purpose of detailing on paper the composition and the operating system of the bank and producing a detailed suggestion to be forwarded to President Figueiredo's successor.

Document

Along with those two proposals, the document of the VII ENAEX repreated some of the classical demands of the exporters, such as: a) encouragement for non-conventional commercial transactions, such as factoring; b) greater autonomy for exporters; c) centralization in a single agency of all decisions on export policy; d) restoration of the National Foreign Trade Council; and 3) maintenance of a realistic foreign exchange policy.

Of all those proposals, the only one that received the explicit support of the government, represented in the opening speech delivered by Planning Minister

Delfim Netto and in the closing speech by the secretary general of the Finance Ministry, Mailson da Nobrega, was the one pertaining to maintaining a realistic foreign exchange policy.

In his speech, Delfim pointed out that "it is necessary to convey to the nation the belief that this foreign exchange policy and this foreign trade policy are absolutely necessary for the continuity of development." Without disregarding the risks of a rigid inflation at high levels precisely as a consequence of the foreign exchange policy, the planning minister made it clear that there is no other alternative but to pay that price, pointing out that it is because of the exports that the process of economic recovery, including the domestic market, is taking place.

#### Concern

For the majority of the foreign trade leaders who participated in the VII ENAEX, the assurance of a "realistic foreign exchange policy" promised by the government, at least by the 15th of March of next year, and the possibility that the future administration may honor that commitment are not enough to calm the businessmen. There are internal difficulties to overcome and one of them is the high cost of financing as a result of inflation, the reduction of subsidies and the gradual elimination of premium credit.

However, the greatest concern is over the possibility of a decrease of foreign sales because of the drop of economic activity in the United States.

In the hallways of ENAEX VII were exhibited, with evident concern, the most recent projections of the U.S. Department of Commerce, indicating that the American GNP grew at the annual rate of 3.6 percent during the third quarter, which represents a little more than half the 7.1 percent of the annual rate recorded during the second quarter.

These projections harmonize with the data contained in the semiannual report of the Organization for Economic Cooperation and Development (OECD), which is comprised of the 24 most industrialized countries in the world. They indicate a drop of around 2.5 percent for American expansion in 1985 compared to the almost 5 percent anticipated for 1984.

The OECD reveals that the economy of the European countries will continue to grow, however, at such a slow rate that it will certainly not compensate for the drop in American production, which in practice will mean a reduction of trade activity as a whole. The idea of a reduction of economic activity by the United States in 1985 is supported by expectation of a tighter monetary policy by the Federal Research Board (the Fed) for the purpose of reducing the fiscal deficit and the trade balance deficit, which this year would reach \$130 billion.

Since half of the \$12 billion surplus predicted for Brazil's trade account in 1984 is the result of exports to the United States, it is easy to conclude that a drop of those sales would inevitably be reflected in the performance of that account next year. That is so true that the director of the Bank of Brazil Foreign Trade Department (CACEX), Carlos Viacava, himself, admitted that the

trade balance next year should be around \$10 billion, declining almost 20 percent compared to the prediction for this year.

Although Viacava ascribes part of that decline to the freeing of imports, the businessmen prefer to believe in the shrinking of the American market. According to the president of the AEB, the situation becomes dangerous because, besides the fact that the European recovery is slow and therefore not enough to compensate for the possible American loss, it is impossible to plan on a substantial growth of sales to Latin America, the markets of which are still virtually closed to imports as a result of the foreign exchange crisis that emerged at the end of 1982.

Since it is impossible to influence American policy, the hope of the businessmen in the export sector lies in themselves and in their capacity to diversify the export markets and products, exploring the still existing prospects. It is for that reason that, at ENAEX VII, they insisted on the need for greater autonomy for the sector, less bureaucracy by CACEX--a criticism welcomed by Delfim--and less interference in export activities by a plethora of official agencies from various ministries.

As for the small and medium businessmen, they were the only ones to benefit directly and immediately from ENAEX: they were promised that the Bank of Brazil will grant preexport financing within the framework of Resolution 882, a matter that will be the subject of a forthcoming decision from the National Monetary Council. The government also guaranteed, through the director of CACEX, that the private banks will not delay their contribution to the financing of exports--a monthly average of \$200 million--and that the arrears, which have already reached the sum of 1 trillion cruzeiros, will be released by the end of the year.

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influence of conservative economists on the drafting of its government program. After all, a social pact inherently presumes some change in the program with the IMF, something these economists do not advise, since they argue the need to continue the "adjustment" of the Brazilian economy. And the PCB has no doubt: everything to date points to a summit pact, unless the popular movements are effectively represented and their demands met.

#### Need for the Pact

Strictly speaking, the main forces supporting Tancredo Neves indicate willingness to discuss a major agreement involving the government, capital and labor which will guarantee relative calm in the political transition phase. Economist Celso Furtado, a former planning minister who will probably be appointed to a ministry by Tancredo Neves, urges a period of time in which the next government can put the economy in order. "It is necessary for us to plunge immediately into a policy of expansion, based on firm foundations, because if economic activity is not revived, no Brazilian problem can be resolved. And a reduction in inflation and the expansion of the economy can only be accomplished with a social pact," he argues.

The various political forces share this view but have different remedies. The PCB, Liberal Front, PTB [Brazilian Labor Party] and the moderates in the PMDB urge salary adjustments at least to the level of inflation. In other words they have a firm but flexible position on the thesis that a better wage policy must be established beginning in 1985. But the PT and the PCB demand more: replacement of what was eliminated during the military governments. Djalma Bom says, by way of example, that the minimum wage, which is 166,000 cruzeiros today, should be raised to 540,000, according to the calculations of the DIEESE [Interunion Department of Statistics and Socioeconomic Studies].

The PT also makes its participation in the pact conditional upon the freezing of prices for goods of first necessity as soon as Tancredo Neves takes office. On this point the Liberal Front urges caution, and at least one economist suggests that the agreement must not place businesses in danger of bankruptcy. Celso Furtado of the PMDB, for his part, made a comment on the outline of the pact attributed to Tancredo Neves recently. The candidate did not speak of freezing prices and wages because this "would be like trying to stop an airplane in flight. Thus it is necessary to slow the plane in order to keep it under control."

According to Furtado, this means that the social pact should "effect a slowdown," immediately offering something so that the organized social groups will cooperate. This cooperation demands that the government enjoy credibility, and therefore Furtado predicts that the Tancredo Neves government will take specific steps to guarantee the defense of the wages and the jobs of the workers, and that he will ask the business class to convert the reduction in interest rates into lower prices.

The reduction in interest rates is a basic item in the agreement, Deputy Herbert Levy (Sao Paulo) of the Liberal Front, who is one of the stockholders of the Itau Bank, agrees. "I am not a banker and I do not hold an executive

post," he defends himself. Levy says that he has regularly warned his "colleagues" in the financial sector that high interest rates serve no one, because the banks only do well when businesses do well too. "The breakdown has been general. Interest rates are tremendous, but they will only come down if the government pursues a policy of containing its expenditures," he noted.

In fact, the economic team closest to Tancredo Neves has suggested the taking of steps such as fiscal reform so that the government can obtain noninflationary resources and finance its expenditures as defined in the pact, and financial reform, which will involve the conversion of short-term public debt paper into medium- or long-term commitments, with the reorganization of public and private money earnings and expenditures.

The PMDB also talks of an emergency program which might or might not be linked to the pact. "This program," Furtado explains, "would resolve the most painful problems, granting indirect wages through a reduction in rates. It is important, if workers are to have confidence in the government, that they be certain that as soon as the economy begins to recover, resources will be allocated for the basic needs of society."

According to Pecanha, the PTB has confidence in this plan, but it believes that it will only be viable if the Tancredo Neves government forces real participation in the pact by businessmen. "This must be done using whatever means, even the income tax tool," he urges. The PTB also wants the church to participate in the social pact. "The church, as a solid institution, will proclaim the need for the social pact to the four corners of the country."

Generally speaking, the political and social forces which in one way or another will have to be involved in negotiating the suggested pact reveal uncertainty about what should be discussed. The problem is that in Brazil, the initiative in the political process, as much as in the economic process, is still concentrated in the hands of the state, "and the initiative in offering viable alternatives to the pact will have to come from it," Vamire Chanccon, a professor at the UnB and the author of a book on the political transition which occurred in Spain, with emphasis on the Moncloa Pact, says.

But the progressive sectors are very clear about the need for the next government to pursue a new economic policy, although they agree that the influence of the conservative economists affiliated with the Liberal Front is a threat. The PCB, which is not exactly a model of political flexibility, believes that nothing can change until the payment of the foreign debt is suspended, arguing that a good percentage of it is illegitimate. But the PDT is not sure, realistically, that nothing will change. "Tancredo Neves is now urging even trade with South Africa, which is being boycotted by the whole world, and he further defends himself by saying that it is necessary to negotiate with all countries. Now this is a policy of exports and more exports," says Brandao Monteiro.

In brief, we will now have to await the confirmation of Tancredo Neves by the Electoral College, and beginning then the electoral forces will start to examine what could prove to be a social pact of the Moncloa sort as the candidate wishes.

What is certain is that what will not be repeated here is the action by Alfonsin, who took steps unilaterally designed by his party with the support of the masses. Tancredo Neves has been making an effort for a long time here to cease to be the candidate of the opposition in order to become the candidate of reconciliation.

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## PARTY MAJORITIES FAVOR ELECTORAL COLLEGE PARTICIPATION

## PT Base Level View

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Dec 84 p 10

[Text] The position of the PT [Workers Party] opposing the participation of its deputies in the indirect election of the next president of the republic does not have the support of the majority of its adherents in Rio de Janeiro and Sao Paulo. Three surveys made by the Gallup Public Opinion Institute in November showed that not even the PT program carried on the Sao Paulo television network, in which arguments against participation in the Electoral College predominated, was successful in significantly altering the position of that party's supporters. A week prior to the program, 18 percent of the 73 PT adherents interviewed in Sao Paulo agreed with the party leadership; on the day following the transmission, 10 November, 33 percent of the 163 adherents interviewed in the capital of Sao Paulo opposed participation in indirect election; however, 2 weeks later, this percentage dropped again to 23 percent of the 77 persons interviewed. In the general survey on 2 November covering adherents of all the parties in Rio and Sao Paulo, 89 percent of the 864 persons interviewed favored participation and voting by their deputies in the Electoral College, while 5 percent opposed it and 6 percent expressed no opinion.

Although the population showed a preference for the direct election of the president of the republic, the supporters of the parties in Rio and Sao Paulo approved the participation of their parliamentarians in the Electoral College by an overwhelming majority at the beginning of November: 92 percent for the PMDB [Brazilian Democratic Movement Party] and the PDT [Democratic Workers' Party], 91 percent for the PDS [Social Democratic Party], 87 percent for the PTB [Brazilian Labor Party] and 81 percent for the PT. The highest level of opposition to participation and voting in an indirect election was seen among the supporters of the PT: 13 percent of the 122 persons interviewed.

## No Change in Trend

Prior to the PT program aired by the Sao Paulo television network on 9 November, 79 percent of the party sympathizers, out of 73 interviewed, favored the participation of their parliamentarians in the Electoral College in order to vote for the future president of the republic, but 18 percent were opposed. On 10 November, just after the program had aired, the percentage favoring participation in an indirect election dropped to 62 percent of the 163 interviewed, of whom 33 percent indicated opposition to the use of the Electoral

College in any form. Two weeks later, however, the influence of the arguments of the PT leadership had again lost strength, since of the 77 party sympathizers interviewed between 23 and 26 November, 72 percent would accept an indirect presidential election, while the percentage opposed had dropped to 23 (the three surveys were limited to the capital of Sao Paulo).

The survey made in the city of Sao Paulo on 10 November sought to establish not only the opinion of the PT supporters following the program carried on television, since the effect of the arguments of the PT leadership on the view of supporters of other parties was also surveyed, as was the change in positions among those who watched the PT program on 9 November. Of the 281 supporters of other parties interviewed, 92 percent of the 91 who saw the PT program favored participation by the deputies in the Electoral College, while this was the view of 84 percent of those who did not watch the PT arguments on TV. Out of the 90 PT supporters who saw the 9 November program and were interviewed, 36 percent remained opposed to participation by their deputies in the Electoral College, while 59 percent said they favored an indirect vote by their parliamentarians. Of the 73 PT supporters interviewed who did not see the party program, 67 percent favored participation in the Electoral College and 30 percent were opposed to it.

#### PT Leader Speaks Out

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Dec 84 p 10

[Text] The national president of the PT, Luis Ignacio Lula da Silva, gave assurance in Sao Paulo yesterday that his party will not expel any member who attends the meeting tomorrow or who votes in the Electoral College on 15 January. "Now to the extent that these individuals are free to act on their own behalf, this also means that they will be responsible both for the interest in and the political losses due to their attitude," he commented. Although he said there would be no reprisal, he stated in connection with the position of the former leader of the party bench in the Chamber of Deputies, Airton Soares, and Deputies Jose Eudes and Bete Mendes, who have said they will participate in the Electoral College: "If they go against the decisions of the higher party levels, I believe they should also have freedom enough to seek another party closer to their ideological convictions."

"Although Airton Soares is one of the best parliamentarians we have in the national congress, he believes in institutional policy, which is very unimportant in my view as compared to the criteria in which I believe, that of political organization of the people," Lula went on to say.

If they leave the PT, they will not lose their elected posts. "I do not want them to remain in the party because the law forces them to do so. But we have no intention of forcing them out of their posts," Lula said.

He added that "just because the PDS has now decided to support the direct election of the president of the republic, this does not make it a disaster." In this connection he emphasized that all of the positions adopted by the PDS or any other party which coincide with the goals of the PT "will have our support."

As to a possible exclusion of his party from the political process for failure to participate in the Electoral College, he stated that "even if this occurred, it would only last for 3 or 4 months." In addition to this, Luis Ignacio believes that as the Electoral College method will not resolve the national problems, following such a possible temporary isolation, "the tendency would be for the PT to develop precisely after that period. Our obsession is not with power, but with a discussion of the political maneuvers which involve the sacrifice of the Brazilian people. Politics in this country is for sale like any can of American goods," Lula went on to say. "Now the main policy in the PT is to safeguard and guarantee for the ordinary citizen a channel through which to say what he thinks."

#### No Party Symbols

The PT also prohibited the use of any party symbols or banners at the meeting in Se Square tomorrow.

On this subject, the leader of the PT, Deputy Geraldo Siqueira, speaking in the legislative assembly of Sao Paulo on the subject of the decision of Airton Soares to resign his leadership of the party in the Chamber of Deputies and to participate in the Electoral College, said that, given these attitudes, Soares could not even continue as the leader of the federal bench of the PT. In his view, "it is not the time to think of punishment for these parliamentarians who are going against the party line, but rather of persuasion." He plans to talk personally with the three deputies and believes he will succeed in convincing them.

The leader of the party in the municipal chamber, Alderwoman Luiza Frondina, who is closer to Lula's position, said for her part: "I do not see how the bench could have reelected Airton Soares, in view of his stubborn attitude opposing the position adopted by the party on its highest deliberative level, the national convention, which has now been confirmed again in the results of the vote taken this weekend, in which 90 percent opposed participation in the Electoral College." According to Frondina, the leader's function presumes identity between the person in the post and the majority party position. "This incompatibility between Airton Soares and the PT majority has already for some time pointed to his removal from leadership."

#### New Leader

The new leader of the PT in the Chamber, Jose Genoino Neto, said yesterday in Brasilia that his party will participate in the opposition under the Tancredo Neves government, "in an effort to express the demands of the people and to propose a policy of alliance with other popular forces." In Genoino's view, the decision not to participate in the Electoral College makes it possible for the PT to denounce its two candidacies publicly.

The former leader of the PT, Airton Soares, and Deputy Jose Eudes (Rio de Janeiro) are participating in the formation of the Socialist Movement. The purpose is to persuade the future president, Tancredo Neves, to revoke the political party laws such as to allow the organization of a new party structure.

On his first day as former bench leader yesterday, Airton Soares commented: "Now I am a player who has purchased his freedom and is awaiting a show of interest in him from some other club. I am independent, but I am continuing my training in the PT field."

The national and regional presidents of the PMDB, Ulysses Guimaraes and Fernando Henrique Cardoso, are campaigning to enroll Airton Soares in that party.

#### Deputy Favors Free Choice

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Dec 84 p 10

[Text] Rio de Janeiro--Deputy Liszt Vieira (PT, Rio de Janeiro) said yesterday that the split in his party's bench on the subject of the vote in the Electoral College is indeed a real crisis, but an unimportant one, because Tancredo Neves has already won. The debate should not be focused on this subject but rather on how to organize the PT as the great opposition party to the Tancredo Neves government, he added.

Vieira said that the national convention of the PT, scheduled for 6 January, should establish the majority opposition to participation in the Electoral College. However, the PT should overcome a certain tinge of sectarianism and release Bete Mendes, Jose Eudes and whoever else wants to vote for Tancredo Neves, because not even Maluf has succeeded in eliminating this question, the deputy from Rio de Janeiro recalled.

#### Center-Right Government

In any case, Liszt Vieira does not regard this crisis as fatal or very important to the PT, and certainly not that it should end in punishment of dissident members. In his view, Tancredo Neves has already won and this discussion as to whether or not to participate in the Electoral College no longer has any importance to the public. Therefore the national leadership of the PT should liberate all those who wish to participate, with no penalty, but while making it clear that the PT does not support Tancredo Neves and will work to become the great party of the opposition.

According to Vieira, the Tancredo Neves government will be clearly a government of the center-right, since it suffices to note the promises the candidate is making to the Liberal Front, which is of a conservative hue, as well as the international capitalists and bankers. For this reason, he does not believe at all that Delfim Netto or Paulo Maluf has put up any real opposition to his government.

With the party reorganization and the establishment of new parties, the task of the PT will be to provide an authentic and populist opposition to the Tancredo Neves government, demanding of him fulfillment of such promises as the strike law, trade union autonomy, revocation of the national security law, agrarian reform and a moratorium with the International Monetary Fund (IMF) so that a new wage policy can emerge.

This political intention calling for organization on the national level of the opposition to the Tancredo Neves government is, according to this deputy, what should be the focus of the attention of PT convention delegates.

Deputies and Senators of Their Respective Parties....	2 November 1984									
	Sao Paulo Adherents of:					Rio de Janeiro Adherents of:				
	PMDB	PDS	PT	PTB/PDT	%	PMDB	PDS	PT	FDT	PTB
--Should participate and vote in the Electoral College	91	89	79	84		92	94	84	92	88
--Should not par- ticipate in the Electoral College	3	4	18	5		5	--	6	3	6
--Have no opinion	6	7	3	11		3	6	10	5	6
TOTAL:	100	100	100	100		100	100	100	100	100
EASE LEVEL:	260	71	73	38		177	66	49	76	54

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CSO: 3342/55

DETAILS ON CONSTRUCTION OF CONVENTIONAL SUBMARINE PUBLISHED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Nov 84 p 7

[Article by Roberto Godoy]

[Text] Brazil is now planning, and within the next decade will build, the NAC-1 submarine, an assault vessel weighing 2200 tons, with a conventional diesel-electrical propulsion system and entirely domestic engineering. It will be capable of firing heavy torpedoes of the Tigerfish class, or even larger ones. This combat vessel is the product of the heretofore secret Baltic Operation designed to facilitate the immediate purchase of two smaller oceangoing submarines of the IKL-209/1400 type from Germany. One of them will be manufactured at the naval shipyards in Rio de Janeiro, and the other will be assembled in Kiel, with the assistance of Brazilian technicians, one year ahead of schedule.

The total cost of this phase will be US\$245,000,000 (705,600,000,000,000 cruzeiros), covering the processes of transferring technology and establishing integrated logistic support. The period for the implementation of the contracts signed between the two countries calls for the completion of the orders in 1989.

This is the last phase before the navy begins execution of its most ambitious undertaking: the building of a large nuclear submarine with its own know-how, scheduled for 1993. Currently the navy is in the process of manufacturing the first of a series of 12 missile-launching corvettes, and when the assembly of the NAC-1 is completed, the plans for an advanced aircraft carrier capable of launching fighter bombers, antisubmarine aircraft, helicopters and airborne electronic surveillance switchboards will come off the drawing boards of the General Materiel Office. This is a goal set for the period after 1995.

Program Plans

"The process of purchasing the technology which will produce the NACs begins with the training of personnel," Admiral Mario Hermes, the head of the DGMM in Rio de Janeiro, says. In his view, "it is necessary to think big, but with our feet on the ground, bearing in mind the reality of the country before launching such an ambitious program." Although the agreement with Germany will allow the naval arsenal specialists to become familiar with what

Admiral Hermes calls "the concept of designing submarines," the first entirely domestic vessel of this kind will not be simply a copy of the IKL-209/1400, but rather "an integral and, above all, independent, project."

The first Brazilian engineering officers are already en route to Kiel, and early next year, German technicians will arrive in Rio.

The contract was signed on 23 July, and a naval office established at the Engineer Kontor Lubeck Shipyards will begin operations within about 2 weeks, to continue for 5 or 6 years, throughout the whole of the fulfillment of the bilateral contract. The group entrusted with the development of the NAC-1 project will complete its studies in 1986, and the construction of the submarine will begin 3 months later. This vessel is a kind of successor to the IKL, incorporating new generation knowledge "to equip the navy with an advanced, powerful and efficient vector," the admiral asserted.

#### Fleet Structure

The first domestic submarine will be the largest vessel of this type produced in the Third World. With a displacement of 2200 tons and a diesel-electrical propulsion complex, it will carry a crew of 85 and will be able to fire advanced missiles of the Tigerfish type. This is the same type used by the British task force in the war in the Falkland Islands, and which sank the Argentine cruiser General Belgrano. They are notable 533 mm weapons with a length of 6.4 meters, weighing 1,550 kilograms and guided by a sophisticated electronic-acoustical system which takes a three-dimensional reading of the target, which is followed for 21 kilometers, selecting the ideal velocity and even the type of detonation best suited to the target. The most recent version, the MK-24/II, receives new data during the trajectory up until impact, reprogramming and correcting the parameters established on launching. It also carries a small load of electronic countermeasures making it virtually invulnerable to the effects of disorienting signals.

The navigation and fire control systems and the basic combat units are integrated in modern computers designed to allow navigation by satellite and network teleprocessing. The combination of the expenditures on purchasing the IKL/209s and the development of the NAC-1 will raise the investment in the program into the US\$500 million range. The navy hopes thus to achieve the ideal size for the submarine fleet, established at 20 vessels, including two with nuclear propulsion which are scheduled to be in full operation between 1999 and 2003. Currently, eight vessels are in operation. There are three Oberons (2200 tons) from the 1970s and five Guppies from the 1940s. They are modernized 2450-ton U.S.-manufactured vessels.

The level of domestic production on the Brazilian submarine is estimated at 70 percent, but it comes to 100 percent in various sectors, beginning with the engineering design. "The calendering of the metal plates and the welds, for example, are delicate areas we have already mastered today," Admiral Mario Hermes stressed.

### A Sophisticated Model

The 209/1400 class of the IKL line is the most sophisticated version in the group of submarines manufactured in Western Germany exclusively for export. Designed for ocean navigation (the German navy does not use this model, having opted for the 206, designed for use in zones with shallow depth, such as the Baltic Sea, which the armed forces under the control of Bonn are responsible for patrolling, in accordance with the North Atlantic Treaty), this vessel has a displacement which can range from 1,000 to 1,400 tons, consistent with which it may measure between 53 and 61 meters.

The IKL-209 was planned during a slack period for the German naval industry during the reconstruction era following World War II. The government in Bonn encouraged the renewal of the industrial park and ordered 18 units in the 206 series. However at the beginning of the 1960s, the signing of contracts was suddenly suspended. "Competition developed rapidly. France put the Daphne on the market, the United States brought out the FLET, and England beat them all with the powerful Oberon, of which Brazil wisely purchased three," a German businessman explained.

The consortium involved in the Lubeck undertaking ran some risks. Involved in the scheme since late 1967, it was only able to begin foreign negotiations as of 1971, when the displacement limits for submarines (1,000 tons) imposed by the 1945-47 treaties began to be eliminated. In 1976, this control limit was raised to 1800 tons. And currently there is no limit. Three organizations produce the IKL-109. Ferrostaal sees to the sales, Howaldstswerke Deutsche Werft Ag builds individual units, and Ingenieurkontor Lubeck is responsible for the overall project. The first order was placed by Greece, in 1967. In the last 10 years, 30 of the 209 submarines have been commissioned by Argentina, Peru, Colombia, Venezuela, Ecuador, Chile, Greece and Indonesia, and one single one has been produced in Turkey.

### Weaponry

The weapons system of the IKL-209 has the same flexibility and efficiency as the whole complex. The vessel can be used as a torpedo attack boat or as a hunter-killer submarine, with eight firing tubes which can be adapted for various types of torpedoes. The chambers are also equipped with sheathing for the launching of underwater rockets or missiles.

Another novelty is that the mechanism for laying explosive mines is electronic. It puts the artifact in place automatically, based on the depth conditions and the intervals between fields, such as to establish the desired "net" as efficiently as possible. The IKL-209 is a kind of single unit, that is it has only one shell (in fact, the main tube) with separate modules for prow, stern, upper deck and outer bridge. It can remain submerged for up to 6 weeks, receiving an air supply via snorkel (a tube extended upward from the submarine above the water surface to collect oxygen and expel carbon dioxide), and it cruises at about 22 knots with a very low noise level.

This factor is regarded as basic for the Brazilian navy, since its routine missions are always carried out at a minimum of 800 kilometers from the nearest base, such that it must remain outside the maintenance axis for 30 days.

The batteries (for which the technology is being transferred from the original German model to the domestic Saturnia) can be recharged in a minimum of 4 hours and a maximum of 8. A refractory system prevents detection by infrared photography, which reacts to heat, with automatic control of the internal air-conditioning mechanisms on a level consistent with the water temperature. The normal crew complement is 35 persons.

#### Domestic Contribution

"In a 705,600,000,000-cruzeiro transaction, the participation of domestic industry is a basic aspect," a Sao Paulo businessman in the electronics sector emphasized. He wants access to the most advanced technological processes, such as that for closing the pressure duct on each submarine, "which is no secret at all for us, since we have already developed the containment capsule for two nuclear plants."

Satisfaction of this desire, according to a recent directive from the general staff of the navy, seems assured. The purchase of ships was only completed when total construction in the shipyard installations on Ilha das Cobras, in Rio de Janeiro, was guaranteed. The complete national construction indices by item will be as follows:

Hull production materials, 100 percent; propulsion system, 70 percent; energy generation and distribution, 90 percent; communications and control, 50 percent; auxiliary systems, 80 percent; finishing materials, 100 percent; manpower for construction, 100 percent.

#### Technical Data on the IKL-209/1400

Total length, 61.20 meters; average draft, 5.50 meters; displacement, 1,411 tons; speed (submerged), 18-22 knots; surface speed, 12 knots; operational depth, up to 200 meters.

This vessel is equipped with electronic war units, medium- and long-range sonar and two periscopes (one infrared).

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CSO: 3342/55

DIALOGUE WITH NEVES ALLAYS MILITARY CONCERNS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 2 Dec 84 p 7

[Text] In his meetings with high-ranking general officers, Tancredo Neves, the candidate of Democratic Alliance, presented an overall analysis on the country's situation, especially the position of the armed forces. In his conversation with the military leaders there was one basic commitment which he made quite clear: He would govern with a view toward national conciliation.

In some of these conversations, Tancredo guaranteed that no manifestations of revanchism against the armed forces would be tolerated in his administration and that there would be no attempts to overemphasize cases of a personal nature or to inject political problems--even serious ones--which occurred in the past. The dialog was quite fruitful according to some of his conversation partners who recognized a balanced, politically dispassionate spirit in the candidate.

In his meetings with high-ranking military leaders, Tancredo Neves also several times repeated that he is not afraid of the involvement of the armed forces in political maneuvers which may be intended to prevent his taking office--something which would shatter the country's legal-constitutional normalcy.

He wants to make sure that the rules of the game of succession will be followed and he made it clear that he prefers that Paulo Maluf, the candidate of the PDS [Social Democratic Party], should continue being a candidate until the electoral college meets. Tancredo Neves also admitted that he had political commitments but that he will pick the members of his team on the basis of merit. This he stressed more than twice during the meetings he had with military leaders long before the framework of succession began to take shape and before some military offices approached the Democratic Alliance candidate.

First of all, Tancredo Neves had his great middleman with various general officers in the person of Vice President Aureliano Chaves. The vice president even attended a meeting with those officers which was held in the Rio de Janeiro section of Ipanema. After that, one of the participants went to Brasilia and talked to the candidate; he presented a briefing on the national situation and showed, with the help of specific data, that the option of the

high-level military is in favor of maintaining normalcy. He also reported in detail on the support which the PDS candidate was getting from some military offices in Brasilia, even mentioning the names of the officers who supported him.

The military leaders who talked to Tancredo Neves unanimously admitted that they were quite impressed with what they called the "balanced attitude of the former governor with relation to the country's political, social, and economic problems and the solution which he seeks to adopt during his administration." The military leaders expressed the opinion that the Democratic Alliance candidate should not be in office for less than 4 years since a shorter term could create political-institutional insecurity.

During all meetings, the former governor of Minas heard military leaders express the opinion that the armed forces, for the most part, are not trying to become involved in partisan politics. The person who proved to be most worried about possible manifestations of a refusal to accept a defeat of the PDS in the presidential elections was Gen Antonio Carlos de Andrade Serpa but even he admitted that the military establishment did not want legal-institutional normalcy to be upset.

One of the military leaders who talked to Tancredo Neves authorized the disclosure of his name: Military Superior Court President Adm Julio de Sa Bierrenbach who confirmed the information furnished by other general officers who had been with the candidate. The meeting between Bierrenbach and Tancredo took place in an apartment in block I, South Super Square 311, in Brasilia. Like the other meetings, it was held behind closed doors. The former governor of Minas wanted it this way in order not to permit his attitude to be interpreted as an attempt at enticement.

For Admiral Bierrenbach, the Tancredo Neves administration would still be a transition administration leading to the full normalization of Brazil's democratic life. According to him, this political process, which was started with the opening at the end of the Geisel administration, will reach its high point with the direct election of the successor to the president who will take office on 15 March.

Bierrenbach said that, if the Tancredo Neves administration runs into difficulties in handling institutional, political, and economic problems, it will probably get significant support basically in keeping with these factors: The legalistic option of the armed forces and the lack of fertile ground in the military establishment as a whole in terms of its involvement in coupist movements; the support which the administration will have in the legislative branch from practically all parties; the support of public opinion; and its determination to govern with a view toward bringing about understanding.

According to Bierrenbach, who has been keeping close tabs on Brazilian politics since 1945, the new president will have to pick his team in keeping with his own ideas; he must not yield to pressure (something which could set a dangerous precedent). The admiral said that any possible manifestations of discontent with the election and inauguration of Tancredo Neves will not find any expression.

The STM [Military Superior Court] president also admitted that, in his more than 1-hour meeting with Tancredo Neves, he felt that he was doing justice to the determination of President Figueiredo to promote his political blueprint by maintaining normalcy even in the absence of any prospects of a candidate from his party--the PDS--in the electoral college.

The meetings between military leaders and Tancredo Neves were not held in the shadow of succession but with the concern--according to one of the conversation partners--of not involving the armed forces in partisan politics. During the meetings, Tancredo admitted that he would seek to gauge the real position of the military establishment but that he was able already before that to be sure its legalistic option.

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CSO: 3342/54

HUMANIST PARTY LAUNCHED IN SAO PAULO

Sao Paulo FOLHA DE SAO PAULO in Portuguese 21 Nov 84 p 6

[Text] Last night, Brazil gained another political party. The Humanist Party was launched officially at 1900 in the Teotonia Vilela Room of the Municipal Chamber; as its symbol, the party has adopted the Belt of Moebius (which looks like a figure 8 leaning to the right and which represents infinity) and the color orange (like the PMDB [Brazilian Democratic Movement Party]). But the new party already on many walls throughout the city since last Wednesday night when several groups of militants went out into the street to paint slogans and put up posters drawn rather modestly on old newspaper pages. The day before, 13 December, the DIARIO OFICIAL DA UNIAO published the charter document of the PH [Humanist Party] in time to enable it to run candidates in the 1986 elections, if it should manage to meet the other requirements of election justice.

Lula and Fernando Henrique are active in this respect since the cadres of the Humanist Party seem to be coming mostly from the group of younger voters who usually gather, for example, at the tables of "Spazio Pirandello" or the "Radio Club." But the PH Chairman will not be able to run with them for governor of Sao Paulo unless the constitution has been amended by then: He is only 23 years old and he is a 4th-year engineering student at Mackenzie University and his name is Waldomiro dos Santos Filho. His name heads the list of 101 charter members of the party, following the publication of the charter document. And 23 years is the minimum age among them.

"At 25, I am one of the oldest among our cadres," said PH vice president Ana Rosa Gomes Tenente who studied social sciences at Sao Marcos University and who is an unemployed professor. But this should not surprise us because the party's ideas are aimed at the younger generation. "Today they account for more than 50 percent of the Brazilian population," recalled the PH chairman. "And it is therefore only fair that they should have equitable political representation."

"We are also the party of the women," said Ana Rosa. The PH program is clear on that point: "The party stresses the violence that is being carried out particularly against women and young people who are turned into objects and not subjects who have full rights in the practice of social relationships."

The idea of establishing the PH was born in April of this year in a room of the "Atlanta" building on Republic Square where the members of the "Community for Human Development" met; this is a pacifist society founded in Brazil in 1968. It existed already in 1975 in many other countries when humanist groups from 42 countries, meeting on [the island of] Corfu, in Greece, decided to establish it. Today it is recognized by the UN.

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CSO: 3342/54

## TRADE BALANCE SURPLUS REACHES \$12 BILLION IN NOVEMBER

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Dec 84 p 32

[Text] The surplus in Brazil's balance of trade came to \$12.001 billion as of November, due to exports of \$24.662 billion (an increase of 24.1 percent compared to the same period of time last year) and imports of \$12.661 billion (a decline of 9 percent). This year's surplus should wind up around \$13 billion. These foreign exchange earnings, which reach the country after an interval of 3 months, are being used basically to pay the interest on the foreign debt.

In November, the balance of trade showed a balance of \$1.077 billion as against \$1.225 billion in October. Brazilian exports came to \$2.298 billion, declining 3.16 percent compared to the preceding month but growing 25.78 percent when compared to November 1983. Imports totaled \$1.221 billion, rising \$73 million compared to October (up 6.73 percent) but dropping 5.05 percent compared to November of last year.

Coffee continued to be Brazil's chief export product with foreign exchange earnings of \$195 million in November, a drop of 2.5 percent compared to October. Carlos Viacava, director of CACEX (Foreign Trade Department) of the Bank of Brazil, argued that this is due to the policy pursued by the IBC (Brazilian Coffee Institute). The fact is that importers insist on purchasing coffee with a big discount, charging that coffee supplies are large abroad. Since the country's foreign exchange earnings are not about to run out, the administration decided not to grant any further discounts of this kind. Viacava guaranteed that, if it had wanted to, Brazil could have sold as much as \$100 million more coffee last month but preferred to let the market settle down in order to stabilize it in the future.

Petroleum was the chief imported product, totaling \$555 million or 7.04 percent less than in November of last year. Viacava explained that petroleum imports this year already reached \$6.115 billion, a reduction of \$1 billion compared to 1983 above all due to the growing domestic output of petroleum.

As of November, exports of basic products grew only 3.88 percent, yielding \$8.1 billion. Demerara sugar sales continued to go up but soybean bran went down a total of 18.21 percent. According to Viacava, this is primarily due to the decision made by the EEC to limit the supply of domestic milk.

This brought about a reduction in subsidies for this product and, on the other hand, subsidies for meat exports were raised and that took a share of the Brazilian market.

This year, industrially processed products have already yielded \$16.256 billion, an increase of 38.29 percent. Semi finished goods went up 64.91 percent, yielding \$2.6 billion; manufactured goods rose 34.11 percent, with foreign exchange earnings of \$13.6 billion. Among manufactured goods, exports that grew most included orange juice with precisely 118.75 percent or \$1.225 billion as against \$560 million during the same period of time last year.

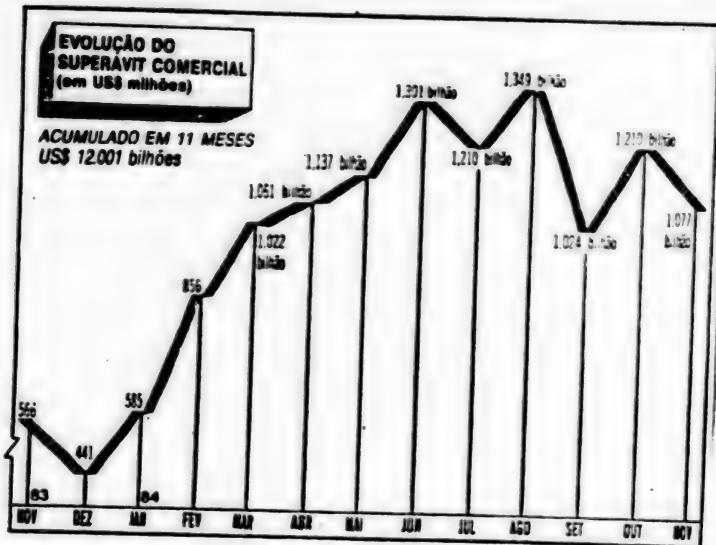
#### Diversion

The CACEX director confirmed the suspicion that a good part of the exporters are getting loans from the private bank network with a part of the interest being paid by the government, the money being used for financial speculation. Viacava did not condemn this practice and thinks that it is "an intelligent way of reconciling the lack of money with support for exports." He explained that the administration as a matter of fact is not losing anything since the reduction in subsidies for that sector will bring a saving of \$4 billion (12 trillion cruzeiros) in 1985.

In reality however the taxpayer continues to pay so that the exporter may make a profit. The government takes care of 10-15 percent of the interest rate of 30 percent which is collected through the bank network from the exporter, with funds taken from the money budget which comes from taxes. Viacava however repeated that each exporter must pledge to export a certain amount each year and if he does not meet the target, he will lose the portion subsidized by the government.

#### Brazilian Balance of Trade--Millions of Dollars, FOB

Item	November		January/November	
	1984	1983	1984	1983
Exports (up)	2,298	1,827	24,662	19,873
Imports (down)	1,221	1,286	12,661	13,913
Absolute Balance	1,077	541	12,001	5,960
Relative Balance	88.21	42.07	94.79	42.84



Development of Trade Surplus (Millions of Dollars), accumulated over a period of 11 months: \$12.001 billion.

Key: bilhão--billion; DEZ--Dec; FEV--Feb; ABR--Apr; MAI--May; AGO--Aug; SET--Sep; OUT--Oct.

#### Viacava Suggests Continuing Exchange Policy

If Brazil is to achieve a trade balance of \$12 billion next year, it will be necessary to continue the current exchange policy under which devaluations of the cruzeiro would keep up with inflation, Carlos Viacava, CACEX director pointed out yesterday.

According to Viacava, Brazilian exports will grow less in 1985 because of the termination of subsidies totaling \$4 billion and because of the reduced growth of the United States economy. Exports are expected to go up 5 percent as against 24 percent last year and the total has been estimated at \$28 billion.

Imports according to Viacava should reach a level of \$16 billion. The private sector will be able to import \$3 billion more than this year. Viacava reasoned as follows: Imports will grow \$2 billion which, added to a reduction of \$1 billion in the petroleum purchases, will yield a total of \$3 billion. Wheat purchases will be reduced to \$770 million.

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CSO: 3342/54

BRASPETRO SIGNS COOPERATION CONTRACT WITH MOZAMBIQUE

Rio de Janeiro GAZETA MERCANTIL in Portuguese 20 Nov 84 p 11

[Text] The People's Republic of Mozambique, an African country that imports all of the petroleum it consumes--something like 15,000 barrels per day--is the latest customer of BRASPETRO [PETROBRAS International, Inc.], a subsidiary of PETROBRAS [Brazilian Petroleum Corporation], whose job is to develop activities connected with petroleum abroad. Last year, the Brazilian government company signed a technical cooperation agreement with PETROMOC (Mozambique Petroleum) and ENH (National Hydrocarbons Enterprise) for the area of refining, exploration, and production of petroleum.

Mozambique is the fifth African country in which BRASPETRO is operating on the basis of risk or service contracts. "Mozambique is in the process of opening its economy up. This is an interesting opportunity for us to work in a country that has cultural and language identity with Brazil," this newspaper was told yesterday by BRASPETRO Executive Vice President Wagner Freire who had recently returned from Mozambique.

According to Freire, the contracts signed with the two Mozambican enterprises "do not involve many billions." However they are important since they do represent greater penetration by BRASPETRO abroad and new business possibilities. Now the Brazilian government company will provide maintenance services at the refinery of Mozambique which was built 20 years ago and which can refine 20,000 barrels per day of petroleum; it will also provide technical assistance for the exploration and production of petroleum. At this time, Mozambique does not produce a single drop of oil (it imports practically everything from the Soviet Union). In the past however, before becoming independent of Portugal, Gulf discovered a gas field on land whose reserves have been estimated at 1 trillion cubic feet (almost 3 billion cubic meters).

ENH plans to produce gas through this field and BRASPETRO will provide some services. The plans of the Mozambican government company are not confined to this phase; gas will have to be used also in an ammonia project with a production capacity of 1,100 tons per day, a volume similar to the output of the Nitrofertil factory in Aracaju. It therefore seeks to form a group of foreign companies to develop and install this project. As Wagner Freire emphasized, BRASPETRO also wants to participate in this undertaking.

**Freire believes that BRASPETRO will in the future be able to operate directly in petroleum prospecting on Mozambican fields, following the example of what is already being done today by ESSO, AMOCO, and British Petroleum. This new sector can be gained on the basis of the results obtained in technical assistance work, an activity currently being carried out by enterprises from East Germany and the Soviet Union.**

**With 14 million inhabitants, the economy of Mozambique is based on tea, cashew nuts, and the use of its ports by other African countries. It is also rich in metallurgical coal although it does not exploit it.**

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CSO: 3342/54

BRAZIL

BRIEFS

CREDIT AGREEMENT WITH GDR--CACEX [Foreign Trade Department] Director Carlos Viacava and GDR Vice Minister of Foreign Trade Wilhelm Bastien yesterday signed a credit agreement by virtue of which the Bank of Brazil will grant a line of credit [financing] amounting to \$230 million for the GDR to purchase Brazilian products and, in return, Brazil will grant another credit line of \$120 million, all to be used up in 1985. The line opened by Brazil will be used to promote exports of commodities, such as soybeans (\$80 million) and coffee (\$30 million) which the country normally sells on sight. In this case, the GDR will have one year to pay for these purchases. Besides, this loan will be used for Brazilian sales of textile products (\$35 million), iron mineral and pig iron (\$35 million), and other manufactured products (\$50 million). According to CACEX spokesman Sergio Ribas, the rate for both of these credits was the Libor rate without any "spread." On the GDR side, the loan of \$120 million granted to Brazil will be used for sales of potassium chloride and German machinery and equipment. Until last August, Brazilian exports to the GDR totaled \$131 million, with imports of \$65 million; according to the document signed yesterday, bilateral trade is to reach a figure of \$450 million by December. This is the third consecutive year during which Brazil and the GDR carried on their trade on the basis of a reciprocal credit agreement. [Text] [Rio de Janeiro GAZETA MERCANTIL in Portuguese 21 Nov 84 p 13] 5058

CSO: 3342/54

## BILL WOULD ESTABLISH THIRD ANTARCTIC COMMUNE

Santiago EL MERCURIO in Spanish 24 Nov 84 p C-5

[Text] The Government Junta began analysis of the bill to modify the political and administrative division of the country in the Magallanes Region and the Chilean Antarctic, specifically establishing the commune Piloto Pardo in Antarctica.

This is the third commune that will be formed on the frozen continent. There are already two communes established, Antarctica and Navarino. It will include the South Shetland islands and Piloto Pardo.

In the message President Pinochet sent to the heads of the legislative branch, he stated that "the creation of this new commune cannot be objected to legally since the Antarctic Treaty Chile has signed does not impede a decision of this type. This will reinforce to the international public the constant and unchanging interest Chile has demonstrated in Antarctic affairs."

The bill is now in the Fourth Legislative Committee (Army) under the heading "regular process." It explains that the new municipality will be structured with territories from the current commune of Antarctica. The objective of establishing it is based on the fact that, from the beginning of the regionalization process, the government has been constantly concerned about guaranteeing national sovereignty in territories with special geopolitical importance.

The program to populate the Antarctic zone developed by the Chilean Air Force near the Lt Rodolfo Marsh Martin base is mentioned. This is the first plan of this type in the history of the country with the objectives of strengthening and keeping alive national interest in those territories, insuring sovereignty and leading to their development. This "demonstrates that the Antarctic Treaty is not only a theoretical document but a response to the concern to exploit all the natural resources on that continent."

He added that "it is obvious that the country that devotes itself most to the tasks proposed in that treaty will have a better background to demand priority rights in its revision in 1991."

The municipal capital will be established at Villa Las Estrellas. According to the bill, this "represents an independent administrative center abroad integrated to the system of government and interior administration of the country."

## Boundaries

The bill states that the boundaries of the new Piloto Pardo commune will be: to the north, Drake Pass from meridian 64° West of Greenwich to meridian 53° West of Greenwich; to the east, meridian 53° West of Greenwich from Drake Pass to the Bransfield Strait; to the south, Bransfield Strait and its extension in a straight line from meridian 53° West of Greenwich to meridian 55° West of Greenwich; and to the west, meridian 65° West of Greenwich from its intersection through the straight-line extension of the Bransfield Strait to Drake Pass.

It is also stated that the jurisdiction of this commune covers the archipelago of the South Shetlands--Low, Smith, Snow, Deception, Livingston, Greenwich, Hobart, Nelson, Rey Jorge and Bridgeman islands--and the islands of the Piloto Pardo group: Elefante, Corwellis, Clarence, Gibbs, Aspland, Halle and O'Brien.

All the smaller islands and rocks in the surrounding area within the boundaries indicated are included.

## Financing

As to the cost to establish the commune with its corresponding municipality, the technical report explained that the financing of its first budget will not be an expense for the treasury since the resources will come from the Municipal Revenue Law. It explained that it will be necessary to adapt the revenue distribution coefficients in cl. No. 3. vi of 1979.

7717

CSO: 3346/168

**FINANCE MINISTER TERMS 1984 RESULTS 'SPECTACULAR'**

PY281310 Santiago Domestic Service in Spanish 1000 GMT 28 Dec 84

[Text] Finance Minister Luis Escobar Cerda has stated that the Chilean economy recorded spectacular growth in 1984. The finance minister evaluated the situation of the economic sector in 1984.

[Begin Escobar recording] We believe that 1984 yielded very good results. You must remember that no one believed at the beginning of the year that we would be able to meet an estimated growth of 4 percent, particularly in view of low copper prices, and of the difficult situation in which Chile found itself in its capacity as a debtor country in view of high international interest rates. Moreover, the volume of foreign credits that had been negotiated for 1984 was clearly insufficient because of the aforementioned factors.

But despite all this, from the economic point of view 1984 yielded spectacular results. [end recording]

[In this regard, Escobar noted that in 1984 Chile recorded an economic growth of 5.9 percent, the highest in Latin America. He added that in addition there was an important absorption of unemployment which by the end of the year was decreasing to figures ranging from 12 to 13 percent. He said that the fiscal deficit was one of the lowest in the Western Hemisphere. He added that all this makes prospects for 1985 look good.]

[Begin Escobar recording] I believe that 1985 will be similar to 1984. As we have stated several times, we expect to meet an economic growth that is not lower than 4 percent, with characteristics similar to those of this year. [end recording]

However, he noted that all estimates depend on many factors and on the reaction of the private sector. But he added that he believes that 1985 will be very similar to 1984.

CSO: 3348/234

BUSINESSMEN POLLED ON ECONOMIC PREFERENCES, EXPECTATIONS

Santiago EL MERCURIO in Spanish 30 Nov 84 p B-1

[Text] A variety of opinions regarding the optional economic policies that might be adopted was disclosed by a poll taken among the nearly 400 business owners and executives attending the Sixth National Meeting on Business, Enade '84.

A total of 75.6 percent expressed approval for the dollar's readjustment based on the variation in the CPI for the previous month, and a majority percentage out of the total (90.2 percent) think that this will be the policy that will actually be enacted in this area. Only 12.6 apercent consider it advisable for the price of foreign exchange to be regulated by supply and demand, while the option to count on a fixed exchange was cited by 3.7 percent.

In the tariff area, 48.4 percent came out in favor of applying low and equal tariffs of nearly 10 percent over the short term, with anti-dumping protection. Nevertheless, only 12.2 percent are of the opinion that this policy will be implemented in the near future.

A total of 33.3 percent were inclined in favor of differentiated tariffs of between 0 and 35 percent, although only 26.8 percent thought that this would be possible to achieve over the short term. And 52 percent of those queried think that tariffs will remain level at about 35 percent, with anti-dumping surcharges and surcharges for luxury products. Despite the high percentage considering it likely that this will occur, 11.8 percent think that this is the course of action that should be pursued in this area over the short term.

Half of the business owners deem it feasible to renegotiate the foreign debt, without giving state backing to the private debt. However, 53.7 percent believe it most likely that, in the near future, there will be a renegotiation offering that backing. And 40.7 percent thought it likely that, over the long term, there would be a renegotiation of the foreign debts without offering backing for the commitments contracted by the private sector.

One area in which there was broad consensus is that relating to the income tax: 74 percent were inclined to put tax reform into effect over the short term. However, the opinions were divided on the likelihood of this policy's being

"What Businessmen Think"

(1)

CUAL ALTERNATIVA  
PREFIERE USTED

(4)

(5)  
TIPO DE CAMBIO

(2)

CORTO PLAZO

LARGO PLAZO

(3)

CORTO PLAZO

LARGO PLAZO

(2)

(3)

Fijo (6)

37

24

24.-

47

Indexado con el IPC del mes anterior (7)

45.6

41.5

90.2

69.9

Flotante (precio fijado por la oferta y la demanda) (8)

12.6

46.3

2.8

11.8

(9)  
ARANCELES

Bajos y parejos (cercaos al 100%) con protección anti dumping (10)

48.4

57.7

12.2

27.2

Diferenciados entre 0 y 35% (11)

33.3

29.3

26.8

38.2

Parejos a un nivel cercano al 35% con sobreetasas anti dumping (12)  
y para productos sustitutivos.

11.8

6.9

52.

24.2

(13)  
PROMOCION DE EXPORTACIONES

Sólo a través de un tipo de cambio alto (14)

48.8

54.9

25.2

32.4

Draw Back para compensar impuestos y derechos de aduanas  
de insumos importados (15)

33.3

24.8

63

43.9

Subsidio especial adicional al Draw Back (16)

12.6

13

6.1

12.2

(17)  
TASA DE INTERES

Fijada por el Banco Central (18)

18.7

102

14.9

19.1

Tasas de captación sugeridas por el Banco Central (19)  
o tasas de colocación libres

47.6

25.5

76

51.2

Completamente libre (20)

28.9

59.8

1.6

20.3

(21)  
PRECIOS

Fijaciones de precios de productos básicos

(22)

6.9

4.9

7.7

16.7

Sólo cambios de precios en productos agrícolas (23)

41.1

26.4

60.2

36.2

Libertad de precios (24)

48

58.9

23.6

39.4

(25)  
DEUDA EXTERNA

Se renegocia ofreciendo el aval del Estado a la deuda privada (26)

(26)

8.1

4.9

43.7

28.9

Se renegocia sin dar el aval del Estado a la deuda privada (27)

40.-

47.2

28.9

40.4

Se ofrece a los acreedores pagar sólo en el saldo de la Banca Comercial (28)

34.1

37-

6.9

17.1

enacted; 34.6 percent believe that the reform will be put into effect soon, and the same percentage think that taxes will be raised to execute a special plan to counter unemployment.

A total of 47.6 percent of those polled thought that the interest rates on deposits should be suggested by the Central Bank, keeping those for loans free, as is actually occurring. And 76 percent thought that this policy would be established soon.

A total of 48 percent were inclined toward unrestricted prices, while 41.1 percent preferred the price brackets for farm products.

Key to Chart "What Businessmen Think":

1. Which option do you prefer?
2. Short term
3. Long term
4. Which option do you think will most likely occur?
5. Exchange rate
6. Fixed
7. Indexed with the previous month's CPI
8. Floating (price set by supply and demand)
9. Tariffs
10. Low and equal (near 10 percent) with anti-dumping protection
11. Differentiated between 0 and 35 percent
12. Even at a level close to 35 percent with anti-dumping surcharges and surcharges for luxury products
13. Exports promotion
14. Only through a high exchange rate
15. Drawback to offset taxes and customs duties on imported input
16. Special subsidy in addition to the drawback
17. Interest rate
18. Set by the Central Bank
19. Deposit rates suggested by the Central Bank and free loan rates
20. Completely free
21. Prices
22. Set prices for basic products
23. Only price brackets for farm products
24. Unrestricted prices
25. Foreign debt
26. Renegotiate, offering state backing for the private debt
27. Renegotiate without giving state backing for the private debt
28. Offer the creditors payment only with the balance of the trade balance

2909

CSO: 3348/190

## BRIEFS

SEGUEL UNION POST DISQUALIFICATION--Santiago, 27 Dec (EFE)--The Rancagua Labor Inspection Department today disqualified Rodolfo Seguel, chairman of the National Workers Command [CNT], from holding any post in his grassroots union. The office of the copper workers union of the mine where Seguel works is located in Rancagua, 110 km south of Santiago, near the El Teniente mine. Seguel was recently reelected leader of his grassroots union. The Rancagua Labor Inspection Department argues in its note, addressed to the state enterprise administrating the mine, that Seguel has been dismissed from work because of the suit filed against him for heading the first two protests in the country in 1983. Seguel's lawyers have appealed against this dismissal, stating that they will also appeal this new decision by the Labor Inspection Department. Seguel was reelected with the second largest majority by the Caletones grassroot union of the El Teniente mine. [Text] [Madrid EFE in Spanish 1407 GMT 27 Dec 84 PY]

AUSTRALIA APPROVES NEW AMBASSADOR--The Foreign Ministry yesterday announced that the Australian Government has approved the appointment of Jorge Berguno Barnes as the new Chilean ambassador to that country. [Summary] [Santiago EL MERCURIO in Spanish 18 Dec 84 p C6 PY]

NEW NATIONAL GENDARMERIE DIRECTOR--Hernan Novoa Carvajal yesterday became the new director of the Chilean Gendarmerie, replacing Mario Jaque Stapung, who resigned due to health problems. Jorge Humberto Lamilla Berrios has been appointed Gendarmerie deputy director. [Summary] Santiago EL MERCURIO in Spanish 18 Dec 84 p C6 PY]

ALGAE-PROCESSING PLANT DEDICATED--A modern algae-processing plant that will produce 370 tons of agar yearly was today dedicated in Puerto Varas in the 10th Region. Jorge Verdugo, manager of the Proagar Company, during the ceremony said that the plant's output will be equivalent to 8 percent of world production and that the plant, which was constructed with Chilean and Japanese capital totalling \$1.7 million, is considered the third largest agar-producing plant of the world. Verdugo added that the company expects to export \$7 million worth of agar [no time period given]. [Summary] [Santiago Domestic Service in Spanish 2200 GMT 10 Dec 84 PY]

NEW ANTARCTICA INTENDANT--Major General Luis Danus Covian has taken office as new Chilean intendant of the Chilean territory of Magallanes and Antarctica, replacing General (Juan Guillermo Soroban), retired. [Summary] [Santiago Domestic Service in Spanish 1000 GMT 22 Dec 84 PY]

FRENCH AMBASSADOR EXTENDS MISSION--French Ambassador to Chile Leon Bouvier will extend his mission until March 1985. It has been reported at the French Embassy that Bouvier will serve as acting ambassador until March as a result of administrative problems at the French Embassy in Iraq. Current French Ambassador to Iraq Paul Depis will replace Leon Bouvier in Chile. Bouvier is now in France, but he is due to return to Chile in the first days of January. [Text] [Santiago Domestic Service in Spanish 1000 GMT 20 Dec 84 PY]

1984 ECONOMIC GROWTH--At the end of a meeting that representatives of the National Business Association ENADE [Encuentro Nacional de la Empresa] held with President Pinochet, Production and Commerce Confederation President Jorge Fontaine told journalists that in his belief the 6 percent economic growth estimated by the government for 1984 is quite encouraging, considering the country's high foreign debt, the deterioration in the terms of trade, and the low prices of raw materials. Fontaine estimated that in 1984 the fishing sector will grow between 6 and 8 percent, the mining sector 3 percent, the agricultural sector between 7 and 8 percent, the industrial sector between 9 and 11 percent, and the construction sector 8 percent. [Summary] [Santiago Domestic Service in Spanish 1000 GMT 20 Dec 84 PY]

DOUBLED COAL CONSUMPTION FORECAST--Punta Arenas--"The current demand for coal will double by 1989 from 1.5 million tons per year to over 3 million," commented the executive secretary of the National Energy Commission, Sebastian Berstein, who is participating here in a seminar organized by Magallanes University, with the country's highest-ranking figures from that industry attending. He remarked: "This increase is explained basically by the Great Northern Interconnected System which will represent a rise in consumption of 750,000 tons per year, which will replace nearly 500,000 tons of oil, the price of which is about \$100 million." He added that the other important element in coal consumption is the thermoelectric powerplants in the central interconnected system; starting next year, the increase for this purpose will amount to 600,000 tons per year. It is anticipated that the consumption of the element in industry and mining will increase by some 400,000 tons per year during the same period. The executive secretary of the National Energy Commission noted: "All this increase will benefit the country; it will make it possible to improve the conditions for developing the present mines and will lead to the opening of others over the medium term." [Excerpt] [Santiago EL MERCURIO in Spanish 5 Dec 84 p C-7] 2909

CSO: 3348/190

MAJORITY OF LEGISLATORS SUPPORT DIRECT ELECTION OF MAYORS

Bogota EL SIGLO in Spanish 7 Dec 84 pp 1, 16

[Text] The reform calling for the popular election of mayors cannot be interpreted as the beginning of the breakdown of Article 120 of the Constitution, which speaks of the fitting, equitable participation in the administration by the parties, according to the chairman of the National Conservative Board of Directors, Fernando Sanclemente Molina.

He also stated categorically that his party would never put up opposition to the government's initiatives nor to President Betancur's administration; and gave a reminder that the bill on popular election of mayors had received definite backing from his party in the Chamber, where it was passed, and will be approved by the majority of senators.

Sancelente Molina announced a statement from 46 of the 50 senators, in which they voice their strong support for the bill for legislative action seeking the popular election of mayors in all of the country's municipalities.

In the Chamber, 69 of the 81 Conservative representatives voted affirmatively for the proposal, and it is expected that, in the Senate, 46 of the 50 congressmen in that body will do so.

He described the referendum, which the Liberals have insisted on terming "something alien to the constitutional organization," stating that the fact that every 2 years, especially in the elections held halfway in the presidential term, councils and assemblies are selected, is a means of consulting the country about the action of its rulers.

He defended the government's peace policy and the opening of new political spaces wherein those who have rebelled in arms may participate; but he noted that all of this must be done within the bounds of the Constitution and the laws of the republic.

He claimed that the constitutional reform that is under way and the paragraph in Article 120 are supplementary, and predicted that, during the second vote on the legislative act, it would be necessary to make some definitions.

2909

CSO: 3348/193

NEW LIBERALS SAY IMF PROPOSALS NOT APPROPRIATE TO SITUATION

Bogota EL TIEMPO in Spanish 10 Dec 84 p 15-A

[Text] Yesterday prestigious politicians and economists in the country claimed that Colombia is not in the deteriorated condition that led Mexico, Argentina, Brazil and other countries to the International Monetary Fund, and hence it should not accept the shock measures that the latter has proposed to it to surmount its present economic crisis.

New Liberalism, headed by Luis Carlos Galan Sarmiento, announced that it would not sponsor sudden decisions to correct the fiscal deficit accumulated over a period of several years, and offered its support for a program of gradual rehabilitation that would take about 6 years.

The economist and representative from New Liberalism in the chamber, Gabriel Rosas Vega, commented: "We cannot accept shock solutions proposed by the Monetary Fund or the World Bank in the financial area, because they could strangle the economy and de-institutionalize the country. Instead, we propose a great national accord for putting gradual corrections into effect."

Jose Antonio Ocampo, director of the Foundation for Advanced Studies on Development, FEDESARROLLO, was of the opinion that the fund is attempting to deal with the case of Colombia as if it were one of insolvency (a behavior similar to what it has shown toward Mexico, Brazil, Argentina and others), and not one of temporary lack of liquidity, which is the nation's actual situation.

He said: "The prescription must be geared to our particular situation," adding that the economic area of the Colombian external sector is not so devastated as some might imagine.

Ocampo backed his assessments with figures: the deficit in the trade balance, that is, the negative difference between the export product and payments for imports fell from \$2 billion in 1983 to \$170 million this year.

The deficit in account current, which includes service and interest on the debt, declined from \$2.7 billion in 1982 to \$1.6 billion this year; and it may be anticipated as dropping an additional \$100 million in 1985, he claimed.

Ocampo predicted that, although the capital income amounted to only \$200 million in 1984, whereas it totaled \$1 billion in 1983 and \$2 billion in 1982, basically as a result of the closing of foreign credit, the financing contracted in 1984 will make it possible to make outlays of close to \$2 billion in 1985. Then equilibrium will have been achieved in the trade balance as well.

The FEDESARROLLO director recalled the favorable prospects for revenue starting in 1985, and especially in 1986, from coal and oil exports, reaffirming his theories to the effect that the problem is one of liquidity, not insolvency.

#### Tragic Unemployment

He predicted that the situation on the employment front will be different. A decline in business sales is already starting to be observed; and the industrial recovery, which has reached a stagnation point, in which it will continue, will not result in more employment. By 1985, there will be no public spending as a backer of investment, because of the financial crisis; nor will the priority for slowing down the rise in inflation be in effect either. In short, the growth in the gross domestic product, which will fluctuate between 2.5 and 3 percent in 1984, will decline, ranging between 0 and 1 percent in 1985.

The researcher on economic affairs declared: "The accumulation of unemployment has been impressive. Jobs declined between 10 and 20 percent in the industrial area. Substitutions have occurred through temporary contractors, which is not a way of generating or offering full, sound employment."

Ocampo estimated the flight of capital in 1984 at \$1 billion, and predicted that the international reserves may even fall to \$1 billion at the beginning of 1985, and that, with the collapse of expectations regarding an exchange crisis, it would make the situation manageable while the payments on the loans contracted during 1984 are being made. [REDACTED]

Rosas and Ocampo spoke during a symposium organized by Fasecolda yesterday in Bogota, on the country's political and economic situation at present, in which the banking superintendent, German Tabares Cardona; Eduardo Verano Prieto, William Fadul Vergara, Rodrigo Marin Bernal and L. Iamilie Valderrama also participated.

#### The Financial Status

Rosas Vega questioned the government's statistics on the size of the state's financial deficit, and estimated it at 340 billion pesos, whereas the government puts it at 190 billion pesos. FEDESARROLLO claimed that, in 1984, it would be 157 billion pesos and that, at most, it might decline to 88 billion in 1986, because the tax capacity of the Colombian people is exhausted. That reduction will stimulate the recession in the economy and, if there is an attempt to establish more taxes, the social and economic blow, and that to calmness, would represent a high risk.

Rosas Vega told reporters that, last Monday, President Belisario Betancur did not convince the politicians who visited him at Narino Palace, when he claimed that the country would not resort to the Monetary Fund.

Considering the policy pursued by President Betancur, there will be extra sessions of Congress to carry the financial solution for 1985 ahead. If that is insufficient, according to comments made by members of Congress and specialists in economic affairs, there would be an economic emergency, rather than resorting to the IMF.

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CSO: 3348/208

UNRESOLVED DEBT CRISIS FORCES EXTRA SESSIONS OF CONGRESS

Bogota EL SIGLO in Spanish 7 Dec 84 pp 1, 16

[Text] Another obstacle was encountered yesterday by the financing bill for the next 2 years, because of the lack of agreement in the Third Commissions of the Chamber and Senate; which, with the imminent financing of the regular period, definitely forces the government to summon the Congress for special sessions.

In view of the urgent need to find devices to finance the budgetary gaps of over 200 billion pesos anticipated for 1985, the executive body, in the first instance, will opt for the extras and, if no solution is found, it would be forced again to declare an economic emergency.

The Third Commissions convened without reaching any agreement, amid unofficial announcements of new amendments in the bill, to procure additional funds totaling 66 billion pesos which were left unresolved in the report submitted by Senator Rodrigo Marin Bernal.

The session, attended by the minister of finance, Roberto Junguito Bonnet, adjourned after 2 and a half hours, owing to the lack of a quorum.

The situation that has been posed, as congressional sources noted, will not only hamper but will make it virtually impossible to achieve passage of the bill in the short time remaining for regular sessions, including the special ones that would be called starting on 18 December.

All that remains for the Congress are three sessions next week, and the debate by the Third Commissions did not begin until yesterday, from a general standpoint.

According to the observation made by the World Bank, the government must have solved its financial problem in order to have access to loans from this multi-lateral entity; otherwise, it would have to resort to the International Monetary Fund, a possibility that has been precluded up until now.

### Liberals Divided

Moreover, the Liberal Party's Inter-Congressional Financial Commission evinced deep divisions yesterday regarding the financing bill.

On the one hand, representative Hernando Agudelo Villa expressed the view that the bill is minimal in comparison with the requirements that the state will have in 1985 and 1986 to be able to operate, and criticized the increase in taxes on imports, proposed by the one submitting the bill.

Cesar Gaviria, also a representative, for his part, voiced approval for higher direct taxes, rather than indirect ones; a position responded to by William Jaramillo, who gave a reminder that the Inter-Congressional Commission had agreed not to vote for government proposals such as the surtax, this time defended by Gaviria, in view of the proposals for indirect taxes.

The New Liberalism, for its part, disagreed with the government and the one submitting the bill regarding the financing requirements for 1985, and claimed that the financing needs would amount to 340 billion pesos.

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COLOMBIA

COFFEE GROWERS' CONGRESS AIRS PROBLEMS

Government to Cut Aid

Bogota EL SIGLO in Spanish 4 Dec 84 p 1

[Text] Yesterday, President Belisario Betancur said that an adjustment must be made in the national coffee production policy, to gear it to the conditions on the international market and to curb the high costs entailed at present by the management of stocks in supply.

In opening the 43d National Coffee Growers Congress yesterday, the chief executive noted that, owing to the country's fiscal and exchange problems, the coffee sector must have greater autonomy in the financial area; which means that the government will reduce the direct monetary assistance to the Colombian economy's leading industry.

Betancur also remarked that it was essential, as part of the provisions of the World Coffee Growers Pact, that recognition in the form of large export quotas be given for the efforts made by many producers, including Colombia, with high withholding rates, to prevent a difficult situation on the international market for the bean.

Growers Seek Refinancing Credit

Bogota EL SIGLO in Spanish 4 Dec 84 p 1

[Text] The coffee growing sector has asked the government to open a special credit line to refinance the National Coffee Fund and thereby ensure a normal purchase of the next crop of the bean.

At the opening of the Coffee Growers Congress, the chairman of the event, Maclovio Alvira Jacome, said that 10 billion pesos are needed, to be granted on favorable terms by the Bank of the Republic to the National Coffee Fund which, although it has had a financial recovery, still has debits amounting to 60 billion pesos.

The coffee growers issued an eight-point statement in which they back the government's peace process, agree with the need to go ahead with the coffee

diversification, request the maintenance of the policy of gradual increments in the domestic price and call for greater assistance to curb coffee rust.

According to Alvira Jacome, at present 7 percent of the nation's coffee growing area has been stricken by coffee rust, and it is anticipated that, within a year, a quarter of this area will have been damaged by the fungus.

#### Government Considers Selective Moratoria

Bogota EL SIGLO in Spanish 4 Dec 84 pp 1, 3

[Text] The finance minister, Roberto Junguito Bonnet, announced yesterday that the government will study a refinancing, which will include selective moratoria for coffee producers who have been hurt by the winter and the presence of coffee rust.

In his remarks on the occasion of the Coffee Growers Congress, the chief of public finances was emphatic in responding to the producers of the bean that, given the financial situation, the government cannot reduce the taxes on this sector, but, he claimed, it does not intend to raise them either.

Junguito Bonnet reiterated what President Betancur had said to the effect that, in order to attain the goals of achieving sound financial footing, the coffee policy must be handled carefully and correctly, so that the sector will have to depend henceforth on contributions from the monetary, exchange or fiscal policy.

For the purpose of furthering the talks to determine the moratoria systems to benefit the coffee growers with debts or hurt by the winter and coffee rust, yesterday a commission was set up which immediately proceeded to analyze the situation, with the participation of the vice minister of finance and the economic secretary of the presidency.

The finance minister observed that the government is continuing its policy for reaching agreement to find favorable solutions to the problems besetting the national coffee growing system; but he explained that this dialogue must be held considering the limitations produced by the financial difficulties in the country.

Through Junguito Bonnet, the government called for the cooperation of the coffee growing system to find immediate solutions for the sector itself and for the entire Colombian economy.

The manager of the Coffee Growers Bank, Jose Vicente Vargas, said that it would be feasible to establish moratoria, not general but rather selective ones for the credits that the bean's producers really damaged by the severe winter which has stricken the coffee growing area, and the higher costs entailed by the coffee rust control, have in mind.

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MERCHANT MARINE TAKES DRUG CONTROL, EFFICIENCY MEASURES

Bogota EL TIEMPO in Spanish 6 Dec 84 pp 1-A, 8-A

[Text] The French authorities have imposed a penalty of \$1 million on the Grancolombiana Merchant Fleet, in a case involving drugs discovered on the ship "Ciudad de Manizales." The penalty was imposed a week ago, and the company immediately appealed, as EL TIEMPO was told by its president, Enrique Vargas Ramirez.

To date, the aforementioned company has experienced a total of 28 instances of drugs on its ships, according to the high-ranking official.

He said that, in addition to the "serious legal process in France," the fleet is engaged in legal action with the authorities in the United States, where the motor ship "Ciudad de Cucuta" has remained confiscated since June of this year.

In his report to the National Coffee Growers Congress, Vargas Ramirez stated: "The philosophy that we have maintained in this entire process is that the Grancolombiana Merchant Fleet is lending its complete cooperation, insofar as it is able, to suppress and curb the drug traffic. We are allies of the government, the authorities, the organizations and the individuals throughout the world that are making their contribution to the checking of this anti-human market."

He noted that the easy control that can be exercised over cocaine trafficking in air transportation has caused "the infamous activity to flow back to sea transportation," which owing to the size of its features, makes it more conducive to smuggling.

He claimed that the fleet has attacked this scourge with significant actions, among which he cited the following: establishment of a security office in the fleet, which has already scored several successes, exercising strict control over suspected crew members; intensification of good relations with foreign customs authorities, particularly in the U.S. and France, as well as with the drug traffic control agencies; coordination with the Colombian intelligence and security authorities; a legal officer on a high level in Washington; legal advisers in France; initiation of a public relations campaign to improve the

company's image in the U.S. and Europe; and close cooperation on the governmental level.

To try to save the image, an outside consultant was hired, using a specializing firm in the United States; and another consultant in the legal field is working on the drug-related cases, such as the one associated with the holding of the citizenship "Ciudad de Cucuta."

#### (b) Shippers' crisis.

Mr. Zamirez gave a list of serious problems affecting the company, as part of a genuine ship operators' crisis, citing the action ordered to cope with it.

As a result of the recession in world trade, the number of moored (inactive) vessels dropped from 1,700 in 1983 to 1,400 today; and their dead weight fell from 100 million tons to 74 million.

The subsidies given by the developed countries to their ship operators hurt Grancolombia. This situation seems more marked in France and Spain, where it has been demanded that the imports made by Colombia for projects financed by them be transported on ships of their own registry.

The enactment of a new law on ocean transportation in the United States, the purpose of which is to protect its ship operators even more, is seriously hurting the developing countries.

Therefore, Grancolombiana's foreign competition will be reinforced in the future with the advent in our trade of U.S. Line, one of the largest companies in the world, which purchased Delta Line.

The GATT [United Nations Conference on Trade and Development] code in this regard gives the 30 percent share that Grancolombia has with respect to foreign ship operators, through the new method of cargo distribution that it proposes, so as to protect countries which have not managed to set up an ocean transportation system of their own.

The decline in the imports in Colombia has caused its income to decline by 10 percent, from \$100 million in 1983 to \$16.6 million this year and by \$45 million in 1985. In 1983, the import volume was 283,000 tons of cargo, and by 1985 it is estimated to be 150,000 tons.

When asked if he had arranged to cope with so many difficulties and to keep his company afloat, he cited the following:

In addition of the scope of its radius of action, beyond ocean-going transportation per se,

establishment of a marketing unit within the fleet, in order to deal with agency functions, to be accompanied by a set of supplementary measures

involving port services, marketing services, bidding services and the use of its extensive network throughout the world.

An increase in productivity and a reduction in costs; and a tariff policy that will make the new exports possible through this medium.

An increase in the traffic to and from Japan, Central America, the United States, the Mediterranean and Turkey.

Through the freightage fund, aid in financing the transportation of exports with a high degree of sensitivity.

Hiring of an outside consultant to restructure the company; as part of this process, three vice presidencies were created in the operational, commercial and administrative areas.

And consultants for a campaign that will improve the company's image abroad, which has been hurt by the drug cases.

In his report, Vargas Ramirez underscored the company's relations with and services to the coffee growers' association. During 1983-84, it transported 5 million bags of coffee, or 56 percent of Colombia's exportable quota.

He announced that the three new ships which joined the fleet during that period, the "Simon Bolivar," "Almirante Jose Padilla" and "Arturo Gomez J.," cost \$70 million, a sum which in terms of coffee represents sales of the bean totaling over a half million bags.

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CSO: 3348/193

COLOMBIA

ARMY ANNOUNCES BRIGADE, DIVISION COMMAND APPOINTMENTS

Bogota EL TIEMPO in Spanish 12 Dec 84 p 11-A

[Text] The General Command has announced that, yesterday, new joint chiefs of staff of the Army's 14 brigades and chiefs of staff of the four divisions were appointed.

EL TIEMPO also learned that other major changes took place in the Presidential Guard battalion, to which Col Bernardo Ramirez Lozano, who had been commander of the No 1 Military Police battalion, was appointed. Also, Col Jorge E. Porras M. was named new chief of staff of the Southern Unified Command, and Col Rodolfo Torrado, as No 11 operational commander, with headquarters in el igorodo.

Col Nilson Ruiz Tello, who carried out one of the most important tasks in the Armed Forces with the civilian-military brigades in Bogota and Cundinamarca, was transferred from the Baraya Battalion to the Army General Command. Col Humberto Gonzalez Rozo, who with Gen Faruk Yanine Diaz, achieved the pacification of Magdalena Medio and activated the work of the development commands building the main line of peace, was sent to Spain as military attache.

Moreover, Col Carlos Joaquin Arevalo, who had been press chief of the Army command, will be sent as executive to the Carlos Alban Holguin Battalion in Villavicencio.

Maj Santos Alba, projects chief of the civilian-military brigades and press chief for the 13th Brigade, was confirmed in his post, the military sources noted.

This cont... d as deputy director of the Ministry of Defense information and press office was Frigate Lt Hernando Gomez, who is being promoted to ship lieutenant; as is the FAC's technical adjutant, Alvaro Ruiz.

The chief of staff of the First Brigade, with headquarters in Tunja, is Col Miguel Tovar Escamilla; of the Second Brigade, in Barranquilla, Col Carlos Gil Colorado; of the Third Brigade, in Cali, Col Guillermo de la Cruz Amaya; of the Fourth Brigade, in Medellin, Col Billardo Tuiran; of the Sixth Brigade, in Ibagué, Col Eligio Triana Melo; of the Seventh Brigade, in Villavicencio,

Col Jose Luis Aristizabal; of the Eighth Brigade, in Armenia, Col Jaime Avila; of the Ninth Brigade, in Neiva, Col German Arango; of the 10th Brigade, in Tolemaida, Col Luis Munoz; of the 13th Brigade, in Bogota, Col Jaime Ruiz; and of the 14th Brigade, in Puerto Caldas, Col Jose Roldan.

The chiefs of staff of the four Army divisions, for their part, are: for the First Division, in Santa Marta, Col Orlando Forero Neira; for the Second Division, in Bucaramanga, Col Carlos René Martínez; for the Third Division, in Cali, Col Jaime Escobar; and for the Fourth Division, in Villavicencio, Col Guillermo Martínez Pachón.

In addition, this week there will be appointments of new battalion commanders throughout the entire country.

Col Martinez Pachon comes from the position of Reserve Professional Command chief and from the Army's Development

### In the Navy

Today, on the proving grounds of the 1st Artillerist's Battalion, located west of Bogota, the ceremony will take place for the promotion and awarding of time in service medals to a group of officers from the National Navy. The commander of that branch, Vice Adm. Lt. Col. La Motta, will undertake to pin the new insignias on the military personnel rising in rank within the naval chain of command, as follows: Captain of Corvette Captains Arturo Vasquez Moreira and Gabriel Heredia; Captain of Corvette captain rank for Ship Lt Rafael Antonio Patino Perez; ship lieutenant or marine captain rank for Frigate Lts Pedro Tomas Palomares Salazar, Carlos Alberto Andarde Amaya, Daniel Iriarte Alvira, Victor Manuel de la Pineda, Henry de Jesus Taylor Lambis, Fernando Garcia Espejo, Fernando Gómez, Leon and German Pachecho Ropero; frigate lieutenant or marine lieutenant rank for Corvette Lts Rafael Enrique Hernandez Guarin, Justo Rafael Pineda Leal, Edmundo Medineta Regalado, Carlos Alberto Ariza Oyuela, Fernando Polanco Guzman, Luis Silva Rivadeneira, Fernando Falkoner Rincon Ochoa and Luis Jaramillo Castillo.

Also, Garcia will award the  
Medal of Honor to Capt. James L. M-  
cCloskey, and a Silver Service  
Medal to Capt. M. J. Murphy.

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CSO: 3348/208

**FINANCIAL SYSTEM CAPITALIZATION, REDISCOUNT LIMITS SET**

Bogota EL ESPECTADOR in Spanish 6 Dec 84 p 11-A

[Text] Yesterday, the Monetary Board ordered criteria for restrictions and equity in the use and distribution of the funds in the capitalization line of the financial system, and set forth minimal standards for democratizing the sector, through the use of financing loans.

On the other hand, it extended to 12 months the term of the loans granted through the emergency line which, with 7 billion pesos, temporarily facilitated the continuation of the CARBOCOL [Colombian Coal, Inc] programs for investment in the El Cerrejón-Northern Zone project.

By virtue of Resolution 87, of 1984, the top-ranking monetary agency set a limit of 200 million pesos for the Bank of the Republic to finance, through a physical or juridical person, the purchase of bonds issued to capitalize financial entities resorting to the sector's fund.

It is stipulated that the financing, through a natural or juridical person (directly or indirectly), may not exceed 10 percent of the funds allocated to each bank or financing company, and 30 percent of those assigned to each financial corporation.

Stockholders with a share of under 10 percent of the capital in their respective institutions will have financing, in an amount that bears a relationship to the share of their investment in that capital.

The Monetary Board explained that, with these ceilings, depending on the degree of concentration of stock ownership in each entity, bonds or shares of stock will come out on the free market with financing from the financial system's capitalization line, facilitating the distribution of the financing among a large number of individuals (democratization).

In the ruling, there is an explanation of the application of the limits in the case of operations involving firm underwriting, when it is a matter of entities with a capitalization order from the government or involving the sale of bonds or shares of stock by those which did not have the latter.

## **Explanations**

**Other explanations are given in the resolution, such as the one stipulating that those who have received advances charged to the stock democratization line created by Resolution 42 of 1983 may not be beneficiaries of the financial capitalization line.**

**Operations carried out in accordance with the provisions of Resolution 42 of 1983, or in Resolutions 60 and 81 of 1984, will not be subject to the restriction of being less, for every physical or juridical person, than four times the latter's net worth.**

**The financing charged to financial capitalization does not exempt the recipients from complying with the democratization programs which the national government has been promoting in accordance with Decree 2920 of 1982.**

**Finally, through Resolution 88, of 1984, there was an extension from 6 to 12 months in the term of the loans granted through the emergency line opened by the Bank of the Republic with 7 billion pesos for the El Cerrejón-Northern Zone investment programs.**

**It amends Resolution 47 of 10 July 1984, which created funds to prevent the stoppage of the coal project, while the foreign credit required to finance the works projects is procured.**

**The terms for rediscosnts on loans are 12 months, an average cost rate for collecting CDT's from the financial corporations calculated by the issuer with a four-point addition, a rediscosnt rate 1.5 points lower than the interest rate and a rediscosnt margin of 100 percent.**

2909

CSO: 3348/192

NATIONAL POLICE ANNOUNCE COMMAND CHANGES

Bogota EL ESPECTADOR in Spanish 7 Dec 84 p 13

[Text] Maj Gen Jorge Arturo Pineda Osorio, who has been serving as operational director of the National Police, has been appointed inspector general of that institution.

Thus, Pineda Osorio becomes the third-ranking man in that armed corps and, in carrying out his mission, he will be required to answer for the discipline and good reputation of the police; because he will be responsible for conducting the disciplinary and criminal investigations of the personnel comprising it.

The well-known officer has just been promoted to the rank of major general. His new rank badges will be conferred upon him by President Belisario Betancur during a ceremony that will take place next Monday at the General Santander School.

The following higher-ranking officers were assigned or transferred by government order:

Brig Gen Luis Eduardo Castillo Amaya, from the Retirement Pay Fund to the Planning Directorate, as director.

Brig Gen Adolfo Leon Gomez Isaza, from the Instructional Directorate to the Retirement Pay Fund.

Brig Gen Eduardo Pinilla Mendoza, to the Instructional Directorate, as director.

Brig Gen Desiderio Vera Jaimes, from the Planning Directorate to the Operational Directorate, as director.

Col Alvaro Matiz Cortes, from the command of the Cundinamarca Police to the command of the Metropolitan Police of Cali; Col Gregorio Sepulveda Sepulveda, from the Cali Metropolitan Police to the command of the Huila Police; Col Guillermo Antonio Carreno Cardenas, from the Firefighters command to the Cundinamarca Police command; Lt Col Orlando de Jesus Moreno Millan, from the Medellin Metropolitan Police to the Choco Police command; Lt Col Humberto Arias Sanchez, from the General Directorate to the directorate of the Gabriel Gonzalez School; Col Miguel Carreno Garcia, from the General Directorate to the Medellin Metropolitan

Police, as commander; Col Guilleardi, Augusto Hernandez, from the General Directorate to the command of the Valle Police; Col Jorge Villanueva Inter, Adjutant, from the General Directorate Adjutant's Office to the National Guard; Maj. Jose Luis Maj German Velasquez Rey, from the Inspector general's office to the command of the Colombian Civil Defense.

2909

CSO: 3348/192

COLOMBIA

REF ID: A65120

AIR FORCE GENERALS ASSIGNED--Sources in the Ministry of Defense have announced that Maj Gens Alberto Guzman Molina and Alfonso Amaya Maldonado were appointed to the respective positions of new manager of SATENA [National Territorial Air Service] and new chief of operations for the FAC [Colombian Armed Forces]. The two high-level officers were recently promoted to the rank of major general. Gen Guzman Molina announced that it is intended to continue the "open-door" policy at National Territorial, where SATENA is operating with Pilatus Portas aircraft. Guzman Molina previously served as director of the Marco Fidel Suarez School of Aviation in Cali. He was commander of the Palanquero air base. Amaya Maldonado, for his part, comes from the air operations command and the position of FAC inspector general. He was also commander of the Southern Unified Command. During the course of his military career he has been awarded the Order of Boyaca in the degree of Grand Officer, as well as the FAC Cross of Aeronautical Merit. Amaya Maldonado has taken staff and pilot courses at the War College and advanced military studies. Guzman Molina has also taken pilot, staff and air command courses at Maxwell Air Base. He is a third grade military instructor. [Text] [Bogota EL TIEMPO in Spanish 12 Dec 84 p 11-A] 2909

ARMED FORCES ANNOUNCE COMMANDERS--As part of the routine changes made in the Armed Forces during this time of year, Brig Gen Gabriel Ponton Laverde has been named new director of the Central Military Hospital in Bogota. Moreover, Rear Adm Mario Perez Gutierrez has been promoted to commander of San Andres y Providencia. It is noteworthy that this is the first time in history that a rear admiral has been assigned to that base. The appointment of Brig Gen Enrique Diaz Gutierrez to the Unified Command of the South was learned from sources in the Ministry of Defense. Rear Adm Jorge Edgar Garay Rubio is the new commander of the Atlantic Naval Force, and Lt Col Eduardo Arevalo Castaneda is the new press chief for the Defense Ministry. In the Air Force, Maj Gen Plazas Galindo, head of the special project for the FAC [Colombian Air Force], is retiring. [Text] [Bogota EL TIEMPO in Spanish 6 Dec 84 p 7-A] 2909

CSO: 3348/192

AFTEREFFECTS OF TEACHERS' STRIKE SEEN AT ANDE MEETING

Low Attendance

San Jose LA NACION in Spanish 26 Oct 84 p 4A

[Excerpt] Although participants in the 42d Congress of the National Association of Teachers (ANDE) felt that the meeting's agenda was better than that of last year, attendance was substantially lower this year.

They thought that possibly the meager participation in yesterday's working committees was due to the fact that the teachers did not want to lose any classroom time, since with this in mind they had promised parents not to attend the congress.

Marco Antonio Solano, director of the Upper San Rafael School at Desamparados, said that because of the recent strike teachers feel guilty and therefore did not attend the congress so that classes would not be suspended or educational programs altered.

He added that this attitude demonstrates their conscience, while at the same time he emphasized that in his district only two schools stopped work for the congress. Teachers must not feel guilty for the loss of class time which has occurred this year, he said, since it is because of the strike movement that gains were made which will benefit the entire working class.

The congress's slogan is "Education for peace, respect for human rights and the rights of the people" and, according to teacher Lucia Badilla, a delegate to the congress, speeches on this subject were very interesting. There were also speeches by two officials of the University for Peace.

The congress also established four committees: union affairs, labor matters, social affairs and budget and work plans.

The subjects which are specifically the concerns of these committees are the formation of leadership cadres for ANDE, the problems of the teacher in rural areas, the problems of the maladjusted child and their effects. An analysis will also be made of budget reserves and the potential impact of ANDE on the Costa Rican community.

Withdrawal From Teachers' Front

San Jose LA NACION in Spanish 30 Oct 84 p 4A

[Excerpts] The Association of Secondary School Teachers (APSE) and the Trade Union of Costa Rican Educators (SEC) described as immature and ill-considered the decision of the National Teachers Association (ANDE) to withdraw from the Teachers' Front, which was established in 1977.

Teachers Heriberto Rojas and Luis Ricardo Garcia of APSE and SEC, respectively, admitted that while they respect the decision of the 42d ANDE Congress, this is not a good time to cause a rift of this nature.

At the same time they categorically denied statements by teacher Walter Acosta Campos, ANDE president, who said publicly that the measure was taken because of the "betrayal, the lack of loyalty and sincerity and the egoism of some of the leaders of the other teachers' organizations." Acosta also said that after the strike ANDE had to assume all the expenses and the defense of the people who were criminally accused, although it was said that problems would be shared by the Teachers' Front.

Rojas urged Acosta to name the disloyal and insincere leaders, "because in APSE we do not allow anyone to talk this way about the organization."

In response to Acosta's remarks about the expenses, Rojas asserted that that is a big lie, since they can demonstrate, with documents, the amounts spent by APSE during the recent strike, in addition to which the Teachers' Front treasury is functioning in his area.

Rojas and Garcia both also denied Acosta's story about the criminal defense of the teachers, and both admitted that each group is taking steps to free comrades who are in such circumstances. Also, it was in APSE that these steps were first taken, since the first to be accused were from Costa Rica and San Luis Gonzaga High Schools.

Garcia further warned that the SEC had fought valiantly for the repeal of articles 333 and 334 of the Penal Code, which led to the accusation of approximately 1,000 teachers, and he emphasized that the ANDE leadership refused to participate in any activity related to this struggle.

Rojas and Garcia said that ANDE assumed a very responsible role, since a rift at this time is not good for the union movement, because in a crisis such as the current one it is necessary for the workers to remain united.

They warned that doubtless the government could take advantage of such a split to try to avoid complying with the agreements of the Liberia pact, which ended the teachers' strike; however, they emphasized that they will remain on the Bipartite Commission which was established recently by executive decree.

8735  
CSO: 3248/151

COSTA RICA

**CUT SEEN AFFECTED BY PVP SPLIT, DIFFERENCES WITH MEMBERSHIP**

San Jose LA NACION in Spanish 7 Nov 84 p 6A

[Excerpts] Since the Popular Vanguard Party (PVP) split, there has also been a rift in the United Confederation of Workers (CUT), but this was not made official until last night.

The split took place after the faction led by the Mora Valverde brothers called the CUT national leadership together and decided to hold the third congress next March; meanwhile, the faction led by Humberto Vargas Carbonell and Arnoldo Ferreto scheduled it for 22 and 23 November. By organic law, the congress is the CUT's maximum authority, and it must be held every 2 years, since otherwise it loses its legal status.

According to independent union leaders, both congresses could be nullified. The Ferreto faction has not complied with certain requirements of the law, and the Mora faction apparently acted on the aforementioned convocation without taking those requirements into consideration, although they are making their own interpretation of that ruling and asserting that they are in the right.

In addition to this situation, another so-called independent faction has arisen, composed of the Union Association of Water and Sewer Workers (ASTRAA), the Popular Bank Union (SINBANPO) and the State Correspondence University Employees Union (UNEUNED).

Edwin Badilla, who represents this group, said last night that it is striving for unity within the CUT, and that it maintains that this union must not be the property of any one political party, that there must be free democratic play. He admitted that this division is bad for the union movement, since now each group will be split and there will be parallel unions.

He said that this will doubtless harm the interests of the workers, since rather than encouraging the development of factions, they should be trying to strengthen the organizations.

However, Badilla said that it is necessary to create a current democratic union in the country which will use methods different from those used by the CUT and by the Democratic Front, since at this time, he asserted, a great chasm separates what the rank and file are thinking from what the leaders are thinking.

8735  
CSO: 3248/151

SOCIAL SCIENCE STUDIES ON AMERICAS SUMMARIZED

Havana CUADERNOS DE NUESTRA AMERICA in Spanish Vol 1 No 0, Jul-Dec 83 pp 2-3

[English summary section of publications written in Spanish, from inaugural issue of Center for Studies on America]

[Text] I. ARTICLES

*Class structure of the Cuban community in the United States, by Juan Valdés Paz and Rafael Hernández*

*Study about the class structure of Cuban Immigrant groups in the United States, considering their place within the host society, and comparing it with their former position in Cuba. This paper was presented at the Seminar on the situation of Black, Chicano, Cuban, Indian and Porto Rican communities in the United States, sponsored by the Center of Studies on America and Casa de las Américas, held in November, 1981.*

*Annexationist trends in the Porto Rican political process, by Ilya Villar and Haroldo Dilla.*

*Analysis of the different stages of the annexationist option in the Porto Rican political context, emphasizing the New Progressive Party's present situation and the general crisis which affects Porto Rican colonial society.*

*Social-democratic trends in North America, by Jorge Hernández.*

*Historico-sociological study on the peculiarities of the social-democratic phenomenon in the United States, in contrast with the more typical social-democratic expressions in Western Europe.*

II. NOTES ON INVESTIGATIONS

*Economic interests involved in the military production in the United States, by Luis René Fernández.*

*Analysis of the existing connections between the major industrial corporations which are part of the so-called "industrial-military complex" and the structure of North American financial groups.*

*On the policy of terror: the Guatemalan case, by Bedi Gomis, María Dolores Romillo and Isabel Rodríguez.*

*Explanation about the more outstanding traits of a phenomenon whose aim is to attain control over a social universe through intimidation induced by acts of terror. The pattern of this policy is based on principles drawn out from Social Psychology. These notes' original version was presented in 1981 as a thesis at the Faculty of Psychology of the Havana University, and it was tutored by Lic. Juan Valdés Paz (CEA) and C. Dr. Angela Casaña of said Faculty.*

### **III. BOOKS**

*Armed Forces and national defense: an engaged book, by Mayra Góngora.*  
*Comment on a book by the Chilean scholar Antonio Cavalla Rojas about the Armed Forces in Latin America.*

*Critical analysis of some bourgeois interpretations on socialist Cuba's economic development, by José Luis Rodríguez.*

*Critical study of the bibliography which has been issued in capitalist countries dealing with contemporary Cuba's economic development*

*The so-called Third World and transnational corporations, by Raúl Jaramillo.*  
*Comments on a book by Norman Girvan which deals with the problems of transnational corporations in Latin America and the Caribbean*

### **IV. FACTS AND DOCUMENTS**

*Chronology of relations between the United States and Latin America (1981-1982), by Rosa Escandell.*

*Chronological summary of major occurrences in bilateral relations between the United States and Latin America during the past two years.*

*Selection of documents dealing with the revolutionary movement in Central America.*

### **V. INTERVIEWS**

*Survey about the most relevant issues for the study of relations between the United States and Latin America in the '80s. Questions answered by Orlando Fundora, Julio García Luis, Julio Le Riverend, Humberto Pérez, Manuel Piñelro and Carlos Rafael Rodríguez.*

### **VI. SCIENTIFIC ACTIVITIES**

*List of the Center of Studies on America's most important activities in 1982.*

CSO: 3200/21

LETTER FROM DOS SANTOS TO PEREZ DE CUELLAR

Havana GRANMA WEEKLY REVIEW in English 2 Dec 84 p 9

[Text] Luanda, November 17, 1984

H.E. Dr. Javier Perez de Cuellar,  
Secretary-General of the United Nations,  
New York

Mr. Secretary-General:

I have the honor of addressing Your Excellency to report on the steps the government of the People's Republic of Angola has taken with the basic objective of ensuring the independence of Namibia through full implementation of Security Council Resolution No. 435 (1978); securing the withdrawal of the South African forces from southern Angola; obtaining international guarantees for its security, independence and territorial integrity; and contributing to the establishment of lasting peace in southern Africa.

As I said publicly on August 26, 1983, on the occasion of your memorable visit to Luanda, Angola has always been willing to cooperate in the search for an adequate solution to the Namibian problem, since this would be the first important step toward the establishment of the just and lasting peace desired by our peoples and the international community.

Upon reaffirming the decision of the Angolan people and government to continue the struggle against the racist invaders, I reiterated our desire to continue undertaking diplomatic action to find a just solution and reaffirmed the following positions of our Party and government:

- 1) immediate and unconditional withdrawal of South African forces occupying part of our territory;
- 2) prompt implementation of Resolution No. 435 (1978) of the Security Council leading to genuine independence for Namibia;
- 3) a halt to South African aggression against Angola; and
- 4) a halt to all logistical support for the puppet UNITA bands.

Based on some of these positions put forth in the statement issued by the foreign ministers of the People's Republic of Angola and the Republic of Cuba of February 4, 1982, and all of them were included in the Joint Statement of governments of the two countries issued on March 19, 1984. On the basis of these positions we have made contacts and held direct and indirect talks with representatives of the governments of the United States of America and South Africa in order to achieve the above mentioned objectives.

Given its principled positions, Angola categorically rejects, as have nearly all governments of the world and international public opinion, the so-called Inikage idea, which would make implementation of UN Resolution No. 435/78 on Namibia's independence contingent on the prior or parallel withdrawal of the Cuban military contingent, which is legally in the PRA at the request of its government and in keeping with Article 51 of the UN Charter.

On the contrary, implementation of Resolution 435/78, and with it the independence of Namibia, constitutes a fundamental factor which together with a halt to direct or indirect attacks and threats on Angola and foreign aid to the counterrevolutionary bands, would make possible, in a period of time required for our security, the progressive withdrawal of the Cuban internationalist troops in Angola. This was clearly explained in the above mentioned February 1982 and March 1984 joint statements by Cuba and Angola.

In the course of our talks with representatives of the United States September 5-7 in Lusaka, we presented them with a five-point platform for negotiations, to be passed on to the government of South Africa.

The platform of the PRA follows in full:

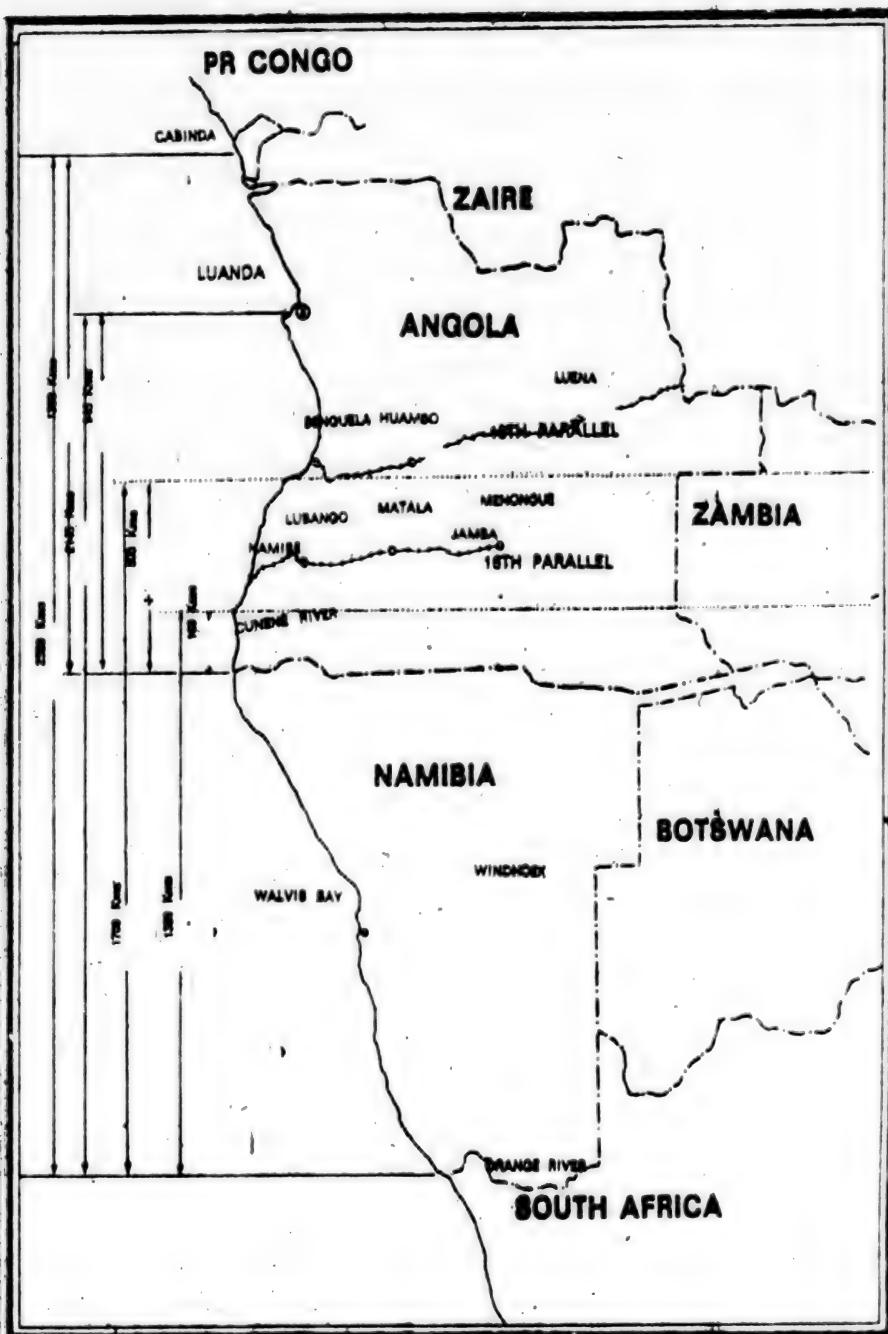
"1) Completion of the withdrawal of the South African forces from the territory of the PRA and control by FAPLA of Angola's state frontiers.

"2) Solemn declaration by the Republic of South Africa, pledging to abide by and contribute to implementing Resolution No. 435/78 of the UN on Namibia's independence.

"3) Cease-fire agreement between the RSA and SWAPO.

"4) Statement by the government of the PRA reiterating its decision, worked out with the Cuban government, to begin withdrawal of the Cuban internationalist contingent, but only when implementation of Resolution No. 435/78 has started.

"5) To sign in the UN Security Council and with that agency serving as guarantor, an international agreement between the governments of the PRA, the RSA and Cuba, and representatives of SWAPO which would define their respective commitments to obtain Namibia's independence, guarantees for the security and territorial integrity of the PRA and lasting peace in southwestern Africa."



This agreement would stipulate the following:

"I. Once UN troops were stationed in Namibia and authorities of that agency established in the country in the agreed-upon period, the RSA would withdraw all its armed forces from Namibia, first of all, the air force and units on the border with Angola. Control of this area would come under immediate responsibility of the UN troops.

"II. When the air force had completely left Namibia and only 1500 South African infantrymen were left, Angola and Cuba would withdraw 5000 Cuban internationalists from the Grouping of Southern Troops as a gesture of goodwill.

"III. The Cuban troops would not deploy military units or hold maneuvers south of the 16th parallel.

"IV. The rest of the Cuban troops in the Grouping of Southern Troop would be sent back to Cuba in three years at most.

"V. If any aggression or imminent threat of aggression against Angola by the RSA were detected, any agreement would be suspended or annulled.

"VI. The RSA would pledge from the start to stop all aid to the UNITA bands, and UN officials would have to verify the dismantling of UNITA bases on Namibian territory.

"VII. The withdrawal of the Cuban troops stationed in Cabinda province and other northern regions of the PRA, including the capital of the country, would be carried out according to a timetable worked out between the PRA and Cuba."

As Your Excellency will see, the platform directly covers the issues that must be solved in order to secure the implementation of Resolution No. 435/78 and, consequently, the independence of Namibia along with other steps that would ensure the withdrawal of South African forces from our territory and lead to the establishment of lasting peace in the region. This would create the necessary conditions for the withdrawal of the Cuban internationalist forces from southern Angola. All this, of course, in the framework of an international agreement signed by all interested parties with the Security Council as a guarantor.

Later on, as evidence of the serious manner in which Angola is carrying out the negotiations, on October 8 we presented a complementary text to the platform that reflects in a rigorous and exact manner our proposals on the Cuban military personnel.

The document reads as follows:

"The People's Republic of Angola and the Republic of Cuba, by virtue of their sovereign rights and in keeping with Article 51 of the UN Charter, have agreed to act in the following manner regarding the internationalist contingent of Cuban troops, if the points contained in the platform of the PRA for

an international agreement on independence, security and peace in southern Africa (Angola and Namibia) are accepted, carried out and respected.

"FIRST: REGARDING THE GROUPING OF CUBAN TROOPS IN THE SOUTH OF ANGOLA

"1. Within 24 months, starting from the moment the UN troops enter Namibia to implement UN Security Council Resolution No. 435/78, 15 000 men will be withdrawn from the line they now defend in southern Angola: Namibe-Lubango-Matala-Jamba-Menongue, in the following manner:

--starting in the 16th week, in a four-month period, 5000 men;

--from the 12th month until the 16th, another 5000;

--from the 20th month until the 24th, 5000 more.

"During this period, the Cuban troops would at no time cross the 16th parallel, 160 kilometers from the border with Namibia and 1360 kilometers from the Orange River.

"2. The remaining forces of the GST, about 5000 men who are stationed in the rear of the above mentioned line, would be withdrawn between months 32 and 36. In the third year these troops would never cross the 13th parallel, which is over 500 kilometers from the land border with Namibia and 1700 kilometers from the Orange River. That is, as of the 24th month, no unit of the GST would cross the 13th parallel.

"Thus, in 36 months about 20 000 men of the total of Cuban troops in Angola would leave.

"SECOND: CONCERNING THE REST OF THE CUBAN TROOPS IN ANGOLA

"1. The remaining Cuban troops that have nothing to do with the defense of the south of the country and are not in any way related to Namibia or South Africa, as stated in point 5-VII of the platform, would be withdrawn from Angola in line with an independent timetable to be agreed upon between the PRA and Cuba in due course.

"The remaining troops would never go beyond the 13th parallel at any time.

"Angola and Cuba establish the indicated dates as the deadline for the GST to stay in Angola, reserving the right to shorten said periods whenever territorial security and integrity would permit. In the same spirit, both governments shall, in pursuance of their sovereign prerogatives, determine the moment and periods for withdrawing the rest of the forces once Angola's integrity and security are fully guaranteed.

"2. A portion of these troops is stationed in Cabinda, 1350 kilometers from the fluvial border (Cunene River) with Namibia and separated from the rest of the territory of the PRA by a strip of land on Zairian territory and the Congo River. Cabinda is 2550 kilometers from the Orange River.

"Another portion of this force would be stationed in Luanda and its vicinity (Bengo, Northern Kuanza). Luanda is Cabinda's rear guard, for only in Luanda can the air and naval forces ready to move in Cabinda's defense in case of aggression be stationed, plus the land forces that would be transported by said air and naval means.

"Luanda is located 945 kilometers from the fluvial border (Cunene River) with Namibia, and 2145 from the Orange River.

"Other units might be stationed in northern and eastern provinces and some strategic points above the 13th parallel to secure communications in and supplies to these provinces.

"3. That is to say, the rest of the forces would be located very far from the southern border and their mission and that of FAPLA is to defend the territorial integrity of the PRA against aggression coming from the north and north-east and, especially, against Cabinda, as has happened in the past.

"4. The PRA has no organized human resources with the required educational level, nor does it have material and financial resources available to wage war on the UNITA bands and other puppet organizations, while nearly simultaneously replacing Cuban troops and armament strategically located in southern, central and northern Angola.

"Angola must give priority to the struggle against the bands that supported, trained and equipped from abroad have inflicted and continue to inflict heavy human and economic losses on the country.

"On the other hand, if the current negotiations should lead to an agreement, Angola would have to replace the men and weapons of the Cuban Grouping of Southern Troops in just 36 months and take over the facilities and positions they now have.

"This is why only after this replacement were effected and internal peace and order were guaranteed could Angola undertake by itself the tasks that the rest of the Cuban military personnel are currently engaged in on behalf of the country's security and integrity. This requires time, considerable resources plus extraordinary efforts in training Angolan cadres and technicians. To ask our young state for more, after five centuries of colonialism, 14 years of struggling for independence and nearly ten years fighting against foreign aggression and subversion organized from abroad would reflect a lack of realism and lack of consideration toward our people. Angola has given proof of its goodwill and seriousness in the search for peace.

"Angola cannot make concessions that would be suicidal for its national integrity and its political and social processes, plus neglecting the sacrifice made by tens of thousands of its best sons and daughters."

Angola, Mr. Secretary-General, has given evidence of its goodwill and seriousness in the search for peace, but it could not accept a settlement that would disregard the opinions set forth here or that failed to satisfactorily and

fully answer all the questions concerning Namibia's prompt independence, the withdrawal of South African troops from our territory and the end of all external aid for the UNITA puppet bands.

In other words, I reiterate here what is stated at the end of the complementary text, i.e., it is not possible to demand nor expect from Angola the granting of concessions that would be suicidal for its national integrity, the development of its political and social processes and would disregard the sacrifice made by tens of thousands of its best sons and daughters.

We consider, Mr. Secretary-General, in view of the fundamental role played by the United Nations concerning the independence of Namibia and the application of Resolution No. 435, that it is essential not just for Your Excellency to have exact knowledge of how these negotiations are unfolding but that at the not-too-distant right moment your representative will take part in them, so that you may also offer your valuable and needed contribution in our endeavor.

Finally, I wish to say to you, Mr. Secretary-General, that Angola has carried out these negotiations in close coordination with Cuba and has Cuba's complete support. On the other hand, the SWAPO leadership has been kept informed on how the negotiations are unfolding.

I request Your Excellency to have this letter circulated as an official document of the General Assembly and the Security Council.

Please accept, Mr. Secretary-General, the assurances of my highest consideration.

Jose Eduardo dos Santos  
President of the People's  
Republic of Angola

CSO: 3200/22

PLD PROTESTS FURTHER LOAN REQUESTS BY GOVERNMENT

Santo Domingo LISTIN DIARIO in Spanish 16 Nov 84 pp 1, 13

[Article by Saul Pimentel: "PLD Gives Figures on Loans"]

[Text] The political committee of the PLD [Dominican Liberation Party] stated that the government headed by Salvador Jorge Blanco has received loans of \$1.5 billion; \$400 million are pending approval by the National Congress.

He said that even if the PRD [Dominican Revolutionary Party] deputies and senators approve those pending loans with their automatic majority, the PLD will not recognize those debts.

The position of the PLD members is contained in a public document delivered to this newspaper by deputy Vicente Bengoa. Its text is as follows:

The political committee of the PLD declares to the national and international public that, since 16 August 1982, the National Congress has approved loans submitted by the Executive Branch for more than \$900 million. More than \$400 million is pending approval by the National Congress. All have been submitted this year. In addition to those mentioned, the government headed by Dr Jorge Blanco received some \$150 million from the IMF. This was delivered to the Central Bank through an expanded terms agreement.

"Those loans that approach \$1.5 billion are added to a national debt that, according to the statements of the president of the republic as well as several government officials in the economic and monetary sector, cannot be reduced by amortization and interest payments because the country has exhausted its payment capacity."

"Because of the seriousness of the situation described in the above paragraphs, the PLD bloc of deputies submitted a resolution for the consideration of the other deputies. It was unanimously passed. It invited the governor of the Central Bank to explain to the Chamber of Deputies the country's foreign debt commitments that, according to official statements, the Dominican Government cannot liquidate or diminish."

"Since no guarantees that this resolution will be carried out have been given so far and the PRD deputies and senators might use their automatic majority to approve the pending loans that have been submitted to Congress by the Executive Branch, this political committee states that the PLD will not recognize those debts."

DOMINICAN REPUBLIC

PROMOTIONS IN ARMED FORCES, POLICE ANNOUNCED

Santo Domingo LISTIN DIARIO in Spanish 28 Nov 84 pp 1, 13

[Article by Rodriguez Gomez: "Changes, Promotions in FA, PN"]

[Text] President Salvador Jorge Blanco made several military and police changes last night, promoting several officers and retiring others.

In a ceremony last night in the Palacio Nacional, Jorge Blanco heard the oaths of office of the new military chiefs.

Through Decree No. 2527, the chief of state promoted Col Manuel de Jesus Checo, EN [National Army], to the rank of brigade general and appointed him chief of the Military Adjutants Corps.

Checo had been commander of the Presidential Guard battalion and now replaces Brig Gen Ramon Rodriguez Landestoy. The latter was appointed commander of the Second Infantry Brigade of the EN, according to Decree No. 2526.

Article 2 of Decree No. 2526 appoints EN Brig Gen Carlos Castillo Pimentel commander of the Fourth Infantry Brigade of the EN.

President Jorge Blanco also promoted EN Col Gumersindo Batista Diaz to brigade general and appointed him commander of the Third Infantry Brigade of the EN.

The same decree--No. 2527--promotes EN Col Cesar Augusto Pomares Cruz to brigade general.

It also retires EN Brig Gen Narciso E. Bautista de Oleo and Brig Gen Melido Gonzalez who will receive service pensions.

In the Police

Through Decree No. 2526, PN [National Police] Brig Gen Francisco Antonio Baez Martinez was appointed assistant chief of the PN.

It also promotes Col Juan Jose Manuel Rodriguez Ortiz and Col Candelario Acosta Perez to brigade generals of the PN.

Also by decree PN Brig Gen Raul Dario Aristy Calvo, Brig Gen Bernardo Emilio Varela, Brig Gen Dr. Jose Rijo de la Cruz and Brig Gen Dr. Santos were retired with pensions.

Col Dr Ganimedes Ramirez Perez was appointed inspector general of the PN.

#### Navy

In the Navy, Jorge Blanco made the following changes through Decree No. 100.

Rear Adm Manuel Ramon Montes Arache was appointed assistant secretary of the navy with the temporary rank of vice admiral. Ship Capt Hamlet Augusto Bergara Santana was promoted to rear admiral.

Vice Adm Arturo Borda Betances was retired with a pension.

Ship Capt Rafael Francisco Melo Scott and Ship Capt Jose Rafael Lockhart Lockhart were promoted to rear admiral and retired with pensions.

The decrees by President Jorge Blanco were issued last night in a ceremony during which the president swore in the promoted officers appointed to new positions.

Those present at the ceremony included: Lt Gen Manuel Antonio Cuervo Gomez, secretary of state of the armed forces; Lt Gen Ramiro Matos Gonzalez, secretary of state of interior and police; Maj Gen Manuel de Jesus Tejada Duverge, chief of the PN; and Dr Emmanuel Esquea Guerrero, legal adviser of the Executive Branch.

7717

CSO: 3248/149

ECUADOR

BRIEFS

INCREASED PETROLEUM PRODUCTION--The incorporation of the petroleum from the secondary recovery site of the Shushufindi-Aguarico field will increase production in that petroleum area from 104,000 to 110,000 barrels a day. This project is being carried out by the Texaco-Ecuadorean State Petroleum Corporation consortium. President Leon Febres Cordero will attend a special ceremony marking the beginning of the additional production in Shushufindi today.  
[Summary] [Quito Voz de los Andes in Spanish 1130 GMT 4 Dec 84 PA]

CSO: 3348/218

BRIEFS

ARREST OF TERRORIST SUSPECT--Pointe-a-Pitre, Tues (AP)--The reputed leader of the terrorist group, Caribbean Revolutionary Alliance, Luc Reinette, was arrested yesterday in Gouyave, about 25 miles north of the Guadeloupe capital, police sources reported. Reinette had been sought by police in connection with an armed attack and bombing, a year ago, at the studios of Radio Caraibe. Five others arrested earlier in connection with the November 14, 1983 bombing are scheduled to stand trial here on December 20. They are Henry Peratout, Marie-Line Peter, Jacques Grizelin, Joel Nanquin and Humbert Marboeuf, all believed by authorities to be members of the Caribbean Revolutionary Alliance. The pro-independence group was banned on May 3 by the French Government, after it took responsibility for 15 bomb explosions in Guadeloupe a week earlier. The bombings caused extensive damage, but no injuries. The group claimed responsibility for six bombings last November in Guadeloupe that left 20 people injured, as well as bombings in Martinique, French Guiana and Paris, France. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 20 Nov 84 p 5]

CSO: 3298/229

GUATEMALA

DC, UCN, MLN LEADERS DEBATE LAND REFORM, OTHER ISSUES

Guatemala City PRENSA LIBRE in Spanish 17 Nov 84 pp 2,3

/Text/ A brief analysis of the problems that have beset the country and brought about the social, economic and political crisis that we are going through and the possible solutions included in the new Magna Carta was made last night by three political leaders, all presidents of the National Constituent Assembly, in the setting of the annual convention of the Guatemalan Managers Association (AGG) which came to a close last night.

Roberto Carpio Nicolle of the DC /Christian Democracy/, Ramiro de Leon Carpio of the UCN /National Center Union/, and Dr Hector Aragon Quinonez of the LMN expressed their views about each of the issues in question, and answered the queries posed to them by the panelists and the public, shifting at times into personal political attacks that turned into heated arguments.

The moderator of the discussion "The Constitution: Foundation of Democracy," was Fernando Quezada Toruno, director of AGG, and the panelists were engineer Juan Jose Urruela, former president of the Guatemalan Chamber of Industry; journalist Gonzalo Marroquin, president of the Association of Guatemalan Journalists; and engineer Jaime Caceres Knox, director of that association.

The activity of the panel focused on extremely important aspects such as free enterprise, rule of law, respect for human rights, free market, juridical security, private property, independence of powers, freedom of expression, expropriation, agrarian reform and other topics included in the Magna Carta currently under preparation at the National Constituent Assembly.

Private Property Causes Argument

The lack of consensus among the three political leaders was apparent from the start of the dialogue, when the issue of private property was addressed, each of them defending his thesis on the basis of the ideological principles of his own party.

Roberto Carpio Nicolle said that the DC advocates the guaranteeing of private property and the sharing of that wealth by everybody. He classified it as dynamic or static as a means of generating wealth, and the very distribution of that wealth /sic/. However, he mentioned the term "social role," which woke up his two colleagues.

For his part, Aragon Quinones pointed out that private property should be just that, without additional characterizations and never a social role. He cited the case of the agrarian reform which, he said, is not suitable for the country. Wealth is generated by the individual and not the property, he asserted, therefore private property should prevail. He said he disagreed with Carpio Nicolle.

Ramiro de Leon Carpio, of the UCN, said that he was not in agreement with the other two because he thought the social role was dangerous, and also totally inconvenient when devoid of characterization. About expropriation, he pointed out that it is necessary only when it is a public necessity. "It is necessary to guarantee the right of ownership," he pointed out.

#### Executive Abuse of Power

When addressing the issue of the independence of power, there were a series of commentaries, and all of them directed their attacks at the governments that have guided the destiny of the country, pointing them out as instruments of abuse of power.

They said that for many years, it has not been possible to observe in the social environment the respect that will portend peace and security in Guatemala. They emphasized that the executive power has always exerted dominance over the two remaining powers--legislative and judicial--that ranges from threat to assassination, as part of the abuse of those who have wielded power, according to the statements of De Leon Carpio.

They all concurred in pointing out the dire necessity of this independence, especially on account of the role played by the judicial organization in the administration of justice, which is basic to attain the role of law in the country.

Carpio Nicolle said that the lack of independence brought about the collapse of democracy, the dictatorship, autocracy and disrespect for the people. The balance of powers deserves special treatment, he added.

Aragon Quinonez cited as an example the attitude of the current chief of state, who allowed free elections for the first time after very many years. There were smiles and applause from the public, which included government officials.

### Harmful State Intervention

The right of free enterprise was another issue that drew attention. After pointing out that no right is absolute as they all have their limitations, De Leon Carpio said that state intervention in free enterprise is very harmful, and that it is permitted only when there is a need. He cited as an example the time when he held a high post in the Sugar Producers Association, which ran into problems when the state intervened.

Carpio Nicolle practically leaned toward a similar posture by saying that it is not a state role, and that the right of free enterprise is an issue that should be upheld in the new legislation. He pointed out that private enterprise is in charge of such a situation, while Aragon Quinonez said that there must be a free market, and the government is obligated to provide protection against domestic or foreign intervention. "There will be success when there is a free market," he added, but without corruption. It is not very honest when the state competes, therefore it should curtail its activity in this field.

### Aragon: A Minister Frolicking

Always touching on the points related to the democratization of the country, Aragon Quinonez said with regard to the corruption of many officials that he could remember very well a minister that at one time was "frolicking" with the people's money. But he did not mention the name.

Concerning the election of the judicial authorities, the MLN leader said that the measure of the nomination of representative people was a good one. De Leon Carpio insisted that there is a need for a judicial safeguard because we have had 11 constitutions, 11 antidemocratic reforms and 3 statutes also as part of the abuse of power.

"Guatemala is in chaos," pointed out Carpio Nicolle for his part when referring to the degradation we have fallen into, especially the lack of respect for human rights. "There is an unconstitutional tinge," added De Leon Carpio, because of the lack of sound justice and other factors.

### The Military To Their Role

When predicting the political future of the country, De Leon Carpio said that a state of authentic legality is essential, with good laws and rulers, in order to avoid the ills of the past. He explained the role of each, and on that score added that the military should carry out their specific duties and not govern.

Dealing with other topics under discussion, Aragon Quinonez came to the conclusion that no agrarian reform has been successful in other countries except Taiwan, because of the special circumstances which he explained, while Carpio Nicolle pointed out that there should not be distribution of what does not exist, emphasizing however that everybody should strive for the overall development of the country. Big property, he asserted, should redistribute its income and improve wages.

#### Ideological Innuendoes

In one of his turns, De Leon Carpio argued that the Left represented danger and instability for the country, and the Right more repression and violence, to which Carpio Nicolle and Aragon Quinonez reacted by defending the stand and ideologies of their parties, and the latter criticized the disorganization of the party represented by De Leon Carpio.

8414  
CSO: 3248/140

GUATEMALA

BRIEFS

CIVIL DEFENSE FORCE--Col Hector Rosales Salaverria, official spokesman of the army, said yesterday that 900,000 men make up the civil defense patrols throughout the national territory, and they have curtailed the destructive action of subversion to a large extent. "The armed forces have helped by arming the groups that have become the guardians of their own communities, and have given them military instruction. The proof of this is that lately there have been none of those acts of terror where the subversives burned villages and committed massacres, blaming the army," the military spokesman said. "Concurrently with the accomplishments of the civil defense groups as defenders of their own families and individual property, the armed forces coordinators have been performing a task that enables the affected peasants to produce with greater safety not only because of their military training, but also because the army maintains its vigilance. Nevertheless, unexpected attacks on patrols still occur, though sporadically, since it must be admitted that there are bad Guatemalans who upset the lives of the rural inhabitants." /Text/ /Guatemala City PRENSA LIBRE in Spanish 17 Nov 84 p 12/ 8414

CSO: 3248/140

BRIEFS

'HOUSE OF ISRAEL' COMMUNE--Georgetown, Sun, (Cana)--The House of Israel, a religious cult here led by American fugitive David Hill, alias Rabbi Washington, says it is in the process of setting up the world's largest commune of 4,500 families on Gluck Island in Guyana's vast jungle interior. Plans are already afoot to settle 100 additional families on Gluck Island from January 1, 1985, said Hill, who added that his ultimate aim was establishing the world's largest commune. Some members of the sect are already on Gluck Island, located in the sprawling 60,000 square mile mineral-rich Essequibo region, claimed by neighbouring Venezuela. My greatest challenge is to establish a strong commune on Gluck Island and to educate Guyanese about the real purpose of the House of Israel which has been misunderstood by many people, declared Hill, who fled to Guyana more than 10 years ago from the United States where he was wanted for alleged fraud. He said he wanted to make it clear that "our teachings are not racist, but for all mankind, unlike the United States which is the most racist of all mankind." He described Guyana as the promised land. More than 900, mostly Americans died in Guyana in 1979 when the Jim Jones cult, which was also located in an interior commune, collapsed in a mass murder-suicide ritual. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 3 Dec 84 p 5]

CSO: 3298/230

CRIME, SECURITY ISSUES RAISED AS MOB VIOLENCE FLARES

Vigilante Action

Kingston THE DAILY GLEANER in English 24 Nov 84 p 1

[Text] Four men caught stealing were beaten to death by citizens in two separate incidents, three in Woodford District, St Andrew, and the other in the Duncans Pen area of St Catherine, during Thursday morning, bringing to 23 the total of suspected thieves lynched islandwide by enraged citizens since this year.

No arrest has been made in either of the latest cases by the Police who investigated, the Gleaner learnt. In fact few have been arrested in the other cases, a police source told the Gleaner.

Deputy Commissioner of Police, Mr Sam McKay (in charge of crime) told the Gleaner yesterday: "I do not believe in mob killing. It is defeating the ends of the criminal police justice system."

He said mob killings were some of the most difficult cases to investigate. The reason being that the police can get no evidence as no one talks.

"If you go in as police they are not talking. It is most difficult, it is like a fire, because the evidence is burnt."

PIC reported: "Four men were beaten to death in St Catherine and St Andrew early Thursday morning. Dead are Beresford Knight of Maryland district, St Andrew, and three others who are unidentified.

Knight was one of a group of five men who entered and stole groceries from a shop at Woodford district in rural St Andrew.

The proprietor made an alarm, which aroused citizens of the area. The citizens chased and held three of the men whom they beat to death. The others escaped. A quantity of goods stolen from the shop was recovered.

Knight was wanted by the Irish Town police on warrants for shop-breaking and larceny committed in the area recently.

The fourth man beaten to death was mauled by residents of Duncans Pen, Spanish Town, PIC said.

Reports are that at around 4.30 a.m., he was caught by citizens breaking into a minibus along Carita Crescent.

The Spanish Town police are investigating.

#### Call for Government Clarification

Kingston THE DAILY GLEANER in English 24 Nov 84 p 10

[Text] For sometime now the Minister of National Security and Justice, Mr Winston Spaulding, has promised to tell the nation about a number of alarming developments in the crime picture, some of which have political implications. For example, in early October the Minister issued a statement in which he accused the People's National Party of the practice of issuing false statements in a campaign which he said was one of making absurd statements about security matters, knowing them to be false and not caring whether they were true or not in order to incite, demoralise and divide the security forces. Those were Mr Spaulding's words. He went on, and we quote: "Related to these baseless allegations, various false reports were circulated over the police circuits by persons who were evidently part of a campaign of misinformation and mischief. These tactics are only playing games with our security and making an already difficult and complex security problem bequeathed to this administration more difficult."

In that statement and in subsequent statements the Minister has said he would be dealing with a number of issues relating to these and other matters connected with crime and national security in Parliament, shortly. It is some weeks now and we urge the Minister to make this statement now in Parliament for the country cannot rest assured until it has the facts and the evidence on which the Minister has based his several statements.

In this respect, we agree with the People's National Party which, in a statement last month, called on the Minister to make the evidence public through Parliament on which he has based these several statements accusing the PNP and other unnamed parties of political connections crying wolf about crime.

#### Agricultural Crime

Kingston THE DAILY GLEANER in English 24 Nov 84 p 10

[Editorial]

[Text] We are disturbed at the threat to the livestock industry in areas of St Catherine and to the citrus and coconut industries across the island posed by praedial thieves. The Jamaica Agricultural Society has been rightly concerned about this development. JAS President, Senator Courtney Fletcher, told the October meeting of the Jamaica Agricultural Society that

there were heavy losses of cows and goats and a robbery of seven thousand pounds of fish valued at \$25,000 from one fish pond in the Hartlands Bushy Park area. The cows and goats, he said, were being slaughtered at informal slaughter facilities and the meat stamped with forged meat stamps. The Senator called on Government to establish legal abattoirs and to police these slaughter houses to ensure that all animals were slaughtered legally.

The Minister of State in the Ministry of Agriculture, the Hon Anthony Johnson, in expressing his own alarm, referred to the recent finding that praedial larceny was costing farmers \$38 million per year, and that the action of these thieves served as a disincentive to the industrious farmer. We are aware that the Government has passed a stringent praedial larceny law and that a number of wardens had been appointed; but clearly neither of these two important actions appear to be deterring the praedial criminals.

We believe, as the former Prime Minister, Mr Manley once stated, that action on the part of farmers themselves must be concerted and must be mobilised; and in concert with the Police departments and the agricultural wardens, every effort must be made to fight off these criminals who would destroy the farming industry. It is a serious state of affairs, calling for urgent national attention.

#### Police-Military Operations

Kingston THE SUNDAY GLEANER in English 25 Nov 84 pp 1, 2

[Text] An 18-year-old labourer, Dennis Dodd otherwise called "Mooney" of a Whitewing Walk, Kingston 11 address was shot and killed by the police during a shoot-out in Kingston 11 on Friday afternoon.

According to the Police Information Centre, a police raiding party went into premises along Simon Taylor Road in search of wanted men and stolen goods about 4 p.m. when the party was fired on by a group of men. They returned fire and Dodd was hit. The other men escaped.

Two .38 cartridges were taken from Dodd's pocket, PIC said. He was taken to hospital where he was pronounced dead.

Dodd escaped from the Hunt's bay lock-up on August 15 while on charges of robbery, burglary and larceny.

Still in Kingston the police seized a .38 revolver and 7 rounds of ammunition in separate operations in Kingston on Friday and arrested and charged one man with illegal possession of a firearm and ammunition.

150 held

Arrested and charged is Michael McKenzie aged 24 years of a Lady Huggins Avenue, Kingston 8 address.

McKenzie was held when the police raided premises on Derrick Lane, Kingston 8 at about 11 a.m. Friday and recovered a .38 revolver with one live round and one spent shell. Six cartridges were seized by the police during a raid on an abandoned building along Barnes Avenue in the Kingston 12 area on Friday morning.

One man was detained for questioning.

And the police and military are continuing their operation in Wareika Hills and surrounding areas to flush out criminals and ensure the safety of citizens following the murder of two women in an area close to Wareika Hills by gunmen on Wednesday night. The PIC said the number of patrols, snap raids and searches by the security force has been increased.

The Jamaica Defence Force Airwing has joined the operation with day and night surveillance. So far, 150 persons have been held and a quantity of items seized since the operations began. PIC was unable to say if any of those held since Thursday have been charged.

#### Protecting gunmen

The mobility of the security force has been slowed down by the rugged hilly terrain, PIC said. However, a task force consisting of representative of the police, the military and the Ministry of Construction has been set up to improve accessibility to the area.

The police say that they are further hampered by a few citizens who are offering protection to some of the gunmen. They said they wished to remind citizens that harbouring criminals is a serious offence.

Top level investigations into the killing of the two women are continuing.

Meanwhile, the PNP in response to the killing of the two women said it wished to place on record its "horror and disgust at the brutal killing of Miss Pauline Ellis and her daughter, Miss Geraldine Watkis by gunmen.

"This sad event becomes even more serious when it is realised that the murder of these ladies was apparently to silence Miss Ellis and prevent her giving evidence in a case in which another daughter, Maxine Gordon was murdered earlier this year," the PNP statement said.

The statement was issued jointly on Friday by Mr K.D. Knight, the People's National Party's spokesman on National Security and Mr Carlyle Dunkley, Constituency Representative for East Kingston and Port Royal, on behalf of the Party.

**PNP appeal**

"The People's National Party appeals to all responsible Jamaicans to demonstrate their concern about the type of violence and criminal activity which is tearing our society apart, by giving their full support to the Security Forces in their effort to locate and identify these criminals."

The Party also expressed its "deep and sincere sorrow" to the relatives, friends and colleagues of Miss Ellis and her daughter, Miss Geraldine Watkis.

CSO: 3298/232

TRADE UNION ASKS SEAGA TO END PROGRAM OF REDUNDANCIES

Kingston THE DAILY CLEANER in English 26 Nov 84 p 2

[Text] The Bustamante Industrial Trade Union has requested the Government to bring an immediate end to the redundancy programme and lay-offs in the public and private sectors.

The President of the B.I.T.U., Mr Lascelles Beckford, told Prime Minister Seaga in a letter Friday that the union considered the matter of wage restraint alongside spiralling cost of living to be "incompatible." He said the union strongly felt, and requested, that machinery be set up without delay to destabilise the price of goods and services.

"The B.I.T.U. recommends to the Government," the letter said, "that there should be immediate massive labour-intensive work programmes throughout the island to ease the unemployment situation."

The union, Mr Beckford said, was asking that the Prime Minister to instruct that the Labour Advisory Committee under the Minister of Labour, reconvene its regular meetings to discuss all matters affecting workers' welfare.

"The records reveal that for the first six months of this year the cost of living has risen by 30 percent. This drastic rise can only result in the dampening of workers' motivation to produce which is something that we in Jamaica cannot afford at this time, and everything should be done not only to stop the increases but to reduce the same," he said.

Expressing what he said was the concern of the union about the spiralling cost of living and the massive layoffs in both the private and public sectors, Mr Beckford said that the increasing rise in the cost of living had to a great extent reduced the living standards of the workers below subsistence level. At the same time, the attendant layoffs created mass unemployment.

He noted that the union was specifically concerned about the devaluation of the Jamaican dollar which had resulted in increases in the cost of transportation, utilities, mortgages, examination fees, health care, books, clothing and drugs, making life almost unbearable to wage earners.

"On the question of the redundancy programme and layoffs in the public and private sectors, the B.I.T.U. must request of the Government to reconsider their decision and to bring this programme to an immediate end," Mr Beckford said.

SEAGA COMMENTS ON JLP STRENGTHS, PNP WEAKNESSES

Kingston THE DAILY GLEANER in English 26 Nov 84 p 1

[Text] The People's National Party has not gained one point in popularity, despite unpopular measures of the Jamaica Labour Party, according to Prime Minister Edward Seaga.

Mr Seaga said that the P.N.P. had not increased its popular support as shown by the last two 'popularity polls.'

"Any support that we have lost has gone into the category of undecided voters who are sitting there waiting to see if our programmes go through and if our programmes through, they will come right back to support the Party," Mr Seaga told supporters at the Western St Andrew J.L.P. Constituency conference at the Edith Dalton James Secondary School yesterday.

Mr Seaga spoke of measures the Government was embarking on to get the economy moving to earn more money to show that it had the ability to pay whatever money it owed and also to get loans. He said these were measures that any Government had to take and if not, "it would be a disaster."

He pointed to what he said were positive signs in certain sectors. There was in Agriculture, a 30 percent rise in domestic farm products and in tourism more rooms had to be built to accommodate added visitors. Mr Seaga said that there were problems in manufacturing.

He explained why the dollar had to be devalued so that Jamaica's products could be cheaper and more competitive abroad, although the country was feeling the pain of higher prices.

"Some of these things have cost us popularity. If you think we have lost popularity, check the P.N.P.," Mr Seaga urged his supporters. He said that the J.L.P had lost ground through the measures being embarked on but that it would make up for this when the fruits materialised.

He said that precedence had been set for this kind of approach in the United Kingdom and the United States but that their economies which were under pressure had now been reacting with vigour and strength.

**Mr Seaga said there were two doubts in the minds of the uncommitted: that the measures of the Government would yield benefits and that in respect of the P.N.P. the leopard could not change its spots.**

**Mr Seaga referred to Mr Manley's mission to Cuba recently and questioned the number of persons on the delegation and whether the intent was for a Socialist International meeting. He suggested that there were other reasons such as bringing back former Cuban Ambassador Estrada and the Brigadista. He said that the people must not be fooled that the radicals had left the P.N.P.**

**"This is not time for complacency, despondency, for people to sit back and say election is far away. You don't win election at election time. You win it in all the things that you have to do as you go through the period," he said.**

**Also speaking at the conference were the Minister of Education, the Hon Dr Mavis Gilmour, the Minister of Industry and Commerce, the Hon Douglas Vaz, the Minister of State in the Ministry of Industry and Commerce, the Hon Karl Samuda and the Minister of Construction, the Hon Bruce Golding.**

**Member of Parliament for the Constituency, Mr Pat Stephens also spoke.**

**CSO: 3298/231**

## AGRICULTURAL OFFICIAL VIEWS CARIBBEAN REQUIREMENTS

Kingston THE DAILY GLEANER in English 24 Nov 84 p 2

[Text]

**Minister of State in the Ministry of Agriculture, the Hon. Anthony Johnson, has identified three critical issues which he says is facing the Caribbean.**

They are the decline of the sugar economy, efforts to introduce light manufacturing in the region and migration of skills needed for economic development.

Mr. Johnson, addressing the luncheon session of a two-day conference at the Jamaica Conference Centre on Wednesday, featuring lectures and debates on "Critical Choices for the Caribbean" sponsored by the Texas Southern University, said sugar continued to be the single largest agricultural enterprise in the region and employer of labour.

However, technological intervention, particularly in the development of high fructose syrup, had completely changed the entire demand pattern for sugar because prior to this it was only sugar beet that offered an effective substitute.

For a large number of countries in the Caribbean, there was a significant size of their labour force that was currently threatened by the "new parameters" in the sugar market.

Jamaica had seen no choice but to have a modern industry, one which carried one single factor: production at the lowest possible cost. "We are fortunate in that over the years there has been a gradual attrition of the numbers in the industry and therefore, for us, it might not be as painful as it might have been had there not been this gradual process," he said.

Mr. Johnson said it was a most critical factor for a number of countries in the Caribbean, also the most critical issue in terms of economic development in the region.

Another issue facing the region was the transformation of the economies into light manufacturing industries, for which the Caribbean was becoming the biggest international centre, he said.

A look at the globe would have led one to think that the Caribbean would have been the logical site for light manufacturing because the region was closer to the metropole, he said, adding that over the last 20 years there had been a massive shift of light manufacturing, dealing with such items as walkman stereos and

video equipment, from Europe to the Far East.

He cited Barbados and Puerto Rico as being the most successful countries in attracting light manufacturing in the region, although there was a tendency among academics to downgrade that industry for what they regarded as poverty level wages, among other features.

Mr. Johnson observed that one of the critical issues was how the region was going to be able to develop as a site for light manufacturing as it would not take much of this industry to absorb the problem of unemployment.

In respect of Jamaica it was a very critical problem being the biggest English-speaking nation in the region; however, the country was currently undergoing restructuring under the structural adjustment programme

in which the Government had had to take unpopular decisions.

"We believe that this is the only successful process," he said, adding that looking at nations such as Singapore and Korea, "we feel we can be successful."

The third issue was that of migration, one of the major factors in all the territories, where the brightest and best tended to leave to develop and contribute in an alien environment which made the region poorer.

Mr. Johnson said the ability to keep the skilled in the country today was much harder than before because the world was becoming smaller with greater sophistication in communication facilities.

Jamaica, nonetheless, was rising to the challenge of the economic forces that prevailed, he told his hearers.

CSO: 3298/232

AGREEMENT REACHED WITH JAPAN ON RICE PROJECT

Kingston THE SUNDAY CLEANER in English 25 Nov 84 pp 1, 2

[Text] The Government of Jamaica has reached an agreement with the Japanese Government for a J\$40 million project to reclaim 7,200 acres of the marshy lands of the Black River Lower Morass for the production of rice.

The Prime Minister, the Rt Hon Edward Seaga made the announcement on Friday during a tour of various projects in St Elizabeth on Friday.

He said that the project had been under study by Japanese experts over the past year and agreement was reached during discussions with him on Thursday morning at Jamaica House.

The project will utilise \$40 million in loans from the Japanese Government at an interest rate of 4% over 30 years. It will be one of the biggest agricultural experiments undertaken in Jamaica.

Mr Seaga noted also Japanese Government assistance in the "very dynamic" project in coffee production in Portland and said he appreciated very much the help that the Government of Japan is giving to us.

### Bridges of friendship

He said that despite the fact that Japan was so far from Jamaica, that country's Government had shown a willingness to help in several areas. This he attributed to the fact that he was not going around the world looking quarrel with everyone, but building bridges of friendship as a result of which the country was able to benefit from assistance from various areas.

The project was aimed at reclaiming 7,200 acres of the swamp land and to put it into rice production by about 1986.

When the programme was in full effect, it would mean that there would be some 12,000 acres of rice growing in St. Elizabeth producing some 24,000 tons of rice per annum, roughly one-half of what the country was now consuming.

### Will be No 1

St. Elizabeth would therefore become the number one parish in the country in rice production. It was also intended that apart from the reclamation of land for rice production, the production of fish and shrimp would be substantially increased by using the swamp lands as ponds.

He said that in addition to the rice growing, the project would involve the building of a

canal from the Broad River to irrigate 4,500 acres of land in the dry Pedro Plains.

This irrigation project was a dream come true for many people in agriculture and an experience the entire country has wanted, because of the continuous cry for water from the farmers of the area, the Prime Minister said.

He said that the Japanese engineers would be coming to Jamaica in January to start detailed engineering work and by the following year the construction work would start.

On the tour, Mr.Seaga visited the \$6 million joint venture fish/shrimp project between the publicly owned Black River Upper Morass Development Company (BRUMDEC) and the Jamaica Broilers Corporation, where there are some 12 acres of hatcheries and 36 acres of fish/shrimp growing ponds.

The project is mainly experimental with the intention of producing shrimps for export to Europe and North America. It is expected to produce some 4,000 pounds of shrimps annually. Currently the company, Aquaculture Jamaica Limited, sells the shrimps and fishes it produces on the local

market in five pound packets under the label "Jamaica Pride".

Mr.Seaga next toured the BRUMDEC rice growing project where it is intended that by 1985, 3,000 acres producing over 2,000 tons of finished rice annually, will be developed under the Food Sufficiency Programme launched by the Government this year.

### New mill

Mr. Seaga said that at present the  $\frac{1}{2}$  ton mill at BRUMDEC was producing some 1,000 tons of rice per year. A new mill was being acquired from Colombia which will increase production at BRUMDEC to 6,300 tons. Construction is taking place on a new mill at the Montego Bay Freeport, which should be in production by mid-February, and there is a one-ton mill at Meyersfield in St.Elizabeth which produces 2,000 tons of rice.

The old three-ton rice mill in Spanish Town would be renovated to produce 9,461 tons of finished rice from Clarendon and St.Catherine —all part of the Food Sufficiency Programme to fulfil the rice requirements of Jamaicans, the Prime Minister said.

His next stop, after lunch at the Elim Agricultural School, was the Burnt Savannah School, where he announced the building and extension of schools in St.Elizabeth to increase primary level places by 1,079 and secondary places by 450.

Mr.Seaga also announced that the four Members of Parliament in the parish had each spent approximately \$300,000 of their \$12 million allotment under the Local Development Fund, on repairing roads, community centres, water supplies, indigent housing and for production incentives to young farmers.

The next stop was Hounslow, where Mr. Seaga was shown a goat rearing project under which imported Alpine and Nubian breeds are being crossed with local breeds in an effort to improve the quantity of meat and milk production from local goats.

He was shown cross-breeds of the foreign goats which have produced as much as 25,000 pounds of milk over 280 days and local stock which have produced some 270 pounds in 90 days. The cross-bred

goats have not yet started producing milk, but are expected to significantly improve the production of goat's milk and meat in the near future.

Mr.Seaga's last stop was at the new assembly and grading station at Southfield where some 40% of the island's vegetables are produced.

He said that with the introduction of the grading station the farmers would be able to get better prices for better quality production. A basket of vegetables was presented to Mr. Seaga by Mrs. Hilma Ebanks.

Accompanying the Prime Minister on the tour were the Hon. Dr.Percival Brodenek, Minister of Agriculture; the Hon. Neville Lewis, Minister of Local Government and Member of Parliament for North-West St.Elizabeth; Mr. J.C. Hutchinson, Member of Parliament for North-Eastern St.Elizabeth; Mr.Jeremy Palmer, Member of Parliament for South-Eastern St.Elizabeth; Mr.Derrick Sangster, Member of Parliament for South-Western St.Elizabeth; Senator Olivia Grange, as well as Mr. Francisco J. Morillo Andrade, Director of the International Institute for Co-operation in Agriculture.

MOVEMENTS OF FORMER PRESIDENT LOPEZ PORTILLO NOTED

Presence in Tijuana

Mexico City EXCELSIOR in Spanish 4 Nov 84 pp 4-A, 22-A, 34-A

[Article by Guillermo C. Retina]

[Text] In good humor, but without making any public statement, ex-president Jose Lopez Portillo was in Tijuana yesterday, where he played several holes of golf accompanied by ex-governor Alberto de la Madrid Romandia.

Lopez Portillo was accompanied by a group of friends at the Country Sports Club. He wore sky-blue pants and a yellow shirt. An incipient beard covers his chin and that is why he was not recognized by the people at these facilities.

Ex-governor De la Madrid asked the journalists who found out about the presence of Lopez Portillo not to interview him. He said to correspondent Consuelo L. de Avalos: "I am going to request that you not bother him. This involves a former president of Mexico and he deserves our respect."

He added that Lopez Portillo "is completely removed from politics and does not want to make any statements."

The former president came to the golf club alone, without a bodyguard. With him were Jorge Noriega Martínez, a former president of the club; Roberto de la Madrid Victoria, a son of the ex-governor; businessman Jorge Gavaldon Aruilar; and Humberto Corral Paniagua, former regional delegate to CONASUPO [National Company for Basic Commodities].

At the end of the round of golf, Lopez Portillo went into the locker room, changed clothes and with new, this time with a black fur jacket and olive-green pants.

Arrival in Capital

Mexico City EXCELSIOR in Spanish 6 Nov 84 pp 4-A, 22-A

[Article by Guillermo C. Retina]

[Text] Ex-president Jose Lopez Portillo returned to the Federal District via San Diego Sunday evening after spending the weekend along the border of Baja

California. He visited his daughter Paulina--who lives in that California port city with her husband, Pascual Ortiz Rubio--and he was in Tijuana, where he visited his friend, ex-governor Roberto de la Madrid.

Lopez Portillo arrived unexpectedly last Friday at the Tijuana Country Club, and he played several holes of golf with De la Madrid and several other people. The former governor of Baja California explained to the press that the ex-president would give no interviews and would not answer even a single question. He said to the journalists: "Do not ask him any questions, for he does not have any comments to make." He asked that they have understanding of the former who governed the country from 1976 through 1982.

"He is a great friend," said Roberto de la Madrid in reference to Lopez Portillo, "for he was kind enough to visit my mother, which I greatly appreciate." The former president had dinner Friday evening with the family of Roberto de la Madrid, who said: "The ex-president has spent most of this year in Seville and Rome. But his real residence is in Mexico," as reported by Consuelo L. de Avalos, correspondent in Tijuana.

2746  
CSO: 3248/135

COAHUILA ELECTION VIOLENCE INVOLVES PARM, PAN, PRI

Saltillo: PARM Members Dislodged

Mexico City EXCELSIOR in Spanish 5 Dec 84 p 30-A

[Text] Saltillo, Coahuila, 4 December--Nearly 15 persons were injured early this morning during the ouster of some 500 PARM [Authentic Party of the Mexican Revolution] members attempting to seize the Saltillo government palace in a demand for recognition of the victory of the PARM candidate, Jorge Masso Masso, in the election of the mayor of this town.

After having remained inside the government palace, at 0100 hours the PARM members were expelled by the judicial and crime prevention police, since they had not been convinced by the secretary of government and chairman of the Electoral Commission, Enrique Martinez y Martinez, who had urged them to wait for the final results from the Electoral College which will evaluate the elections next Sunday.

When PRI [Institutional Revolutionary Party] was awarded the absolute victory in the elections for 38 town halls in the state last Sunday, the PARM and PAN [National Action Party] members who have virtually swept five of the state's town halls became angry, and there were clashes between the police and party members in Piedras Negras and Saltillo.

Tonight, Cuauhtemoc Ruiz de la Rosa, state leader of PARM, warned that if the citizens' victory expressed at the polls is not upheld, they are determined to occupy the town halls, not only in Saltillo but also in Nueva Rosita, Muzquiz and Ramos Arizpe (which is already under their control), until their desires, expressed at the polls, are respected.

They Seized the Ramos Arizpe Town Hall

While the PARM delegate was making these statements urging his fellow party members to "keep order and behave within the law, rejecting PRI's acts of provocation," about 500 followers of Erasmo Lopez Villarreal, the Authentic Party of the Mexican Revolution's candidate for the municipal presidency in this locality, seized the town hall and claimed that they would stay there until their candidate's victory was acknowledged.

The building was decked with signs reading that the winner of the elections was the PARM candidate, with 3,593 votes as compared with 2,501 for PRI's Ricardo Aguirre.

Moreover, leaders and members of PAN from Frontera, Monclova and Piedras Negras, in the northern part of the state, started moving to this capital to fight for their victories with the local congress which will begin today evaluating the elections in the state's 38 municipalities and issuing records of a majority to the parties which prove that they have won it.

There are five municipalities that are keeping the state tense, two of them (Saltillo and Ramos Arizpe) being claimed by PARM as won by it, and three others (Monclova, Frontera and Piedras Negras) which have been claimed by National Action; where public demonstrations have been held to repudiate what they call another imposition by PRI which they are unwilling to accept.

#### Town Hall Seizure Prevented

Mexico City EXCELSIOR in Spanish 5 Dec 84 p 30-A

[Text] Saltillo, Coahuila, 4 December--Last night, the police in Piedras Negras broke up a demonstration by inflamed PAN members attempting to seize the town hall in that locality (and Mayor Humberto Uribe was injured); while about 500 PARM members occupied the municipal president's office in Ramos Arizpe this afternoon, and scores of sympathizers of Jorge Masso Masso, the PARM candidate for mayor of that capital, stationed themselves in front of the government palace to demand the acknowledgment of his victory.

The tension in the state is heightening because of the dissatisfaction of PAN and PARM which are demanding recognition for the victories won in Frontera, Piedras Negras, Acuna, Saltillo and Ramos Arizpe, and accusing PRI of acting with presumptuousness by claiming victories that the state congress has not yet assessed.

PRI in Piedras Negras accused PAN of inciting violence, refusing to recognize Carlos Juarez' victory and having attacked Mayor Humberto Uribe, who was struck on the head by a brick while in the municipal palace.

Nevertheless, Eleazar Cobos, the PAN candidate for mayor of Piedras Negras, accused Uribe of having been the instigator because, while intoxicated, he caused destruction in the El Paraiso restaurant owned by PAN member Saul Flores Falcon, and later struck the municipal PAN leader, Benito Ramirez Luna while the white and blue party's victory was being celebrated at a party function.

Following these incidents, Uribe, accompanied by a group of Judicial Police agents, insulted the PAN demonstrators and ordered the police to break up the meeting; causing a confrontation wherein the mayor was injured by a hurled rock.

Cobos claimed: "On the contrary, Uribe was incarcerated to recover from the large amount of alcohol that he had consumed for 3 days, but not on account of the injuries"; noting that the injured municipal official's administration has been typified by the promotion of centers of vice and the arbitrary acts that he has committed.

#### PRI Victories Declared

Mexico City EXCELSIOR in Spanish 11 Dec 84 pp 4-A, 18-A

[Text] Saltillo, Coahuila, 10 December--Eight days after the elections in the state's 38 municipalities, the state congress has assessed the elections of 18 municipal councils (the first state in the republic to extend the evaluation of an electoral process for so long); and, at a session lasting an hour and a half, the Chamber of Deputies approved the elections in the municipality of Torreon, declaring the PRI candidate, Manlio Gomez Uranga, an absolute winner.

Converted into an Electoral College, the Chamber of Deputies building was crowded with tenant farmers belonging to PST [Socialist Workers Party] and sympathizers of PAN's candidate for the Torreon town hall, Juan Antonio Garcia Villa, who were hissing at the legislators and evoking a heated, festive atmosphere, while the president of the congress, Felix Campos Corona, threatened to expel them if they continued the disorder.

Also guarded by the military, the Chamber of Deputies finally announced the decision whereby the commission on government and constitutional points declared that Gomez Uranga, of PRI, received 51,135 votes, and the PAN candidate, Juan Antonio Garcia Villa, received 19,831.

The PRI deputies were heavily attacked by the National Action deputies, who accused them of being subservient and of helping to legitimize the most crooked and fraudulent elections in the state's history.

David Reza Alva, a PAN deputy, charged that PRI had used all kinds of tricks and had incited violence in order to claim for itself the victory in Torreon. He accused the governor, Jose de la Fuentes Rodriguez, of doing what he pleased with Coahuila's democratic existence, and of being the brains behind the electoral fraud. "In view of this situation, only the people should decide the extent to which they are willing to tolerate it."

In response, the PRI deputy, Jose Luis Chaires, described the PAN members' charges as deceitful and unfounded, claiming that the ones who had committed the fraud and even violence were the National Action members. "In every instance, we PRI members were the ones attacked," he said, displaying a document drawn up by the Public Ministry against a PAN member on whom a high-powered weapon had been found on election day.

Hugo Flores Morales, a PRI deputy, said that PAN was claiming to have been defrauded because that is the only recourse left to this party, one which has never succeeded in convincing the people, after having lost.

During the session, there was also an announcement of the decisions for the municipalities of General Cepeda, San Buenaventura and Sacramento, where PRI won.

The PST members challenged the decision in PRI's favor, in which it was claimed that Humberto Davila Esquivel, of the tricolor party, won with 2,830 votes, while PST's Humberto Valdez won only 259 votes.

It should be noted that, in the approval of the decision favoring PRI in Torreon, the fact that Deputy Francisco Fuentes Reina, chairman of the Commission on Constitutional Points and Government, showed a record wherein the PAN leader, Edmundo Gurza, admitted that PAN sympathizers had committed irregularities during the elections, was decisive.

The decision was approved with 13 votes in favor and two opposed.

Tomorrow, the session will continue, to evaluate 20 municipalities including those most strife-ridden, such as Piedras Negras, General Acuna, Ramos Arizpe, Frontera and Monclova.

#### Monclova Town Hall Occupied

Mexico City EXCELSIOR in Spanish 11 Dec 84 pp 4-A, 18-A

[Text] Monclova, Coahuila, 10 December--PRI sympathizers occupied the town hall in this municipality which has been governed by PAN for 6 years, to pressure the local congress to recognize the victory of their candidate, Salvador Martinez Cantu; and claimed that they would not leave the site until the elections in this area were evaluated.

The PRI forces took up positions in front of the municipal building, and those remaining there are being supplied with cake, sandwiches and soft drinks, in addition to northern music at full volume to keep the people happy and prevent their dispersion. The protest evoked sympathy and curiosity owing to the festive atmosphere and the unusual nature of this event that is rather unusual among the members of the party in power.

Salvador Martinez Cantu said that his followers, in a spontaneous act, in view of the maneuvers being carried out by National Action in an attempt to take the victory away from them, opted to take a position on that site and, at the same time, prevent the PAN members from seizing the municipal palace, as they usually do every time they lose the elections.

He remarked that the residents of Monclova have, during two 3-year terms, experienced a very poor PAN administration marked by its indifference toward the problems of the underprivileged population and by the benefits and privileges given by it to the most powerful classes.

Nevertheless, Pedro Pascual Esquivel, PAN's candidate, claims that his victory is unchallengeable and that he received over 1,000 votes; but that, by means of well known maneuvers and tricks, PRI is trying to steal a victory which belongs to the people of Monclova.

**It is expected that, tomorrow, the local congress, converted into an Electoral College, will announce the final results of the elections in this municipality, as well as in Frontera, Piedras Negras and Acuna, which have also been claimed by the white and blue party, and where there is a suspenseful situation, waiting to learn what the decision of the congress will be.**

#### **Confrontation in State Congress**

**Mexico City EXCELSIOR in Spanish 12 Dec 84 pp 4-A, 31-A**

[Excerpt] Saltillo, Coahuila, 11 December--During a session which ended with a confrontation between PRI and PST members, the state congress rejected, as improper, the charges of election fraud submitted by PAN, and issued five decisions declaring PRI the winner in the municipalities of Monclova, Guerrero, Morelos, Ciudad Acuna and Zaragoza.

**With a heated political situation in the state, backers of PARM's Jorge Masso Masso gathered all day in front of the monument to Carranza, located at the intersection of the highways to Monclova, Monterrey and Mexico City, to demand the nullification of the elections in Saltillo; while groups of PAN and PRI members gathered in front of the Monclova municipal palace to claim the victory of their respective parties whereas in Piedras Negras and Torreon there was an outbreak of dissatisfaction on the part of National Action sympathizers.**

The local congress, converted into an Electoral College, has evaluated only the elections in 22 out of the 39 municipalities in which elections were held on 2 December. Tenant farmers from PRI, PAN and PST have filled the Chamber building and are whistling, booing and shouting for and against the various speakers expressing their views on the electoral process.

This afternoon, in view of the impotence of the police, the military had to intervene in order to remove the PRI women (headed by the leader Ramona Perez) who were angrily fighting with PST members. The street skirmish took place in the middle of Francisco Coss Boulevard, where oranges, tomatoes, sandwiches and cakes that their respective leaders had given them for lunch were hurled.

#### **MMH Arrives in Torreon**

While the alternate senator, Jorge Masso Masso, PARM's candidate for the mayor's office, continued to gather followers at the monument to Carranza, in an indefinite positioning, the PAN forces claiming victories in Acuna, Piedras Negras, Monclova and Frontera have organized to meet with President Miguel de la Madrid, who is to arrive in Torreon on 13 December as part of his tour of La Laguna.

Today's session of the Electoral College was chaired by Felix Campos Corona, president of the Chamber of Deputies, who on repeated occasions told those gathered there, sympathizers of the three parties claiming victory, to quiet their shouting and hissing, because they were there only in the capacity of observers and were only allowed to applaud their fellow party members, but not to upset order.

The elections in the municipalities of Guerrero and Morelos were approved; in the former municipality, the PAN candidate, Jose Martinez, received 390 votes in his favor, while the PRI candidate, Enrique Cervera, won 727 votes. In Morelos, PRI's Roberto de Hoyos won 2,204 votes, and was the only candidate.

In Acuna, the Electoral College declared the winner to be the PRI candidate, Cuitlahuac Miller, with 4,838 votes, as opposed to 3,873 for PAN's Homero Cadena.

Today, the PAN deputies, David Dovalina and David Reza, challenged the decisions and displayed evidence of what they termed "the greatest election fraud in the history of Coahuila" which, they claim "was devised before the elections with the forging of voter's credentials," and with the expulsion of their party representatives.

PRI Deputies Jose Maria Suarez and Francisco Fuentes Reina undertook to refute the arguments of National Action, and claimed that the evidence which they were submitting was untimely.

Jose Maria Suarez, from the Commission on Constitutional Points and Government, displayed a local newspaper which reported that a group of PAN members had seized the offices of the local electoral commission in Monclova and had removed official documents.

Suarez said that the violence had been caused by the PAN forces themselves, and that all the irregularities had also been caused by the white and blue party; and therefore, the charges against the PAN members had grounds.

Elias G. Cobos, the PAN candidate in Piedras Negras, for his part, warned that violence would be triggered in that municipality if the state congress continued its position of rejecting the evidence submitted against the electoral fraud, and if there was a continued denial of the right to defense and to have a victory legitimately won acknowledged as theirs.

Tomorrow the permanent session of the Electoral College will continue, after a break today (of only a few hours); and at it there will have to be an evaluation of elections in 16 more municipalities, including Piedras Negras and Frontera, which have been claimed by PAN, as well as Ramos Arizpe, which is claimed by the Authentic Party of the Mexican Revolution.

2909  
CSO: 3248/138

PAPER BACKS PUBLIC RIGHT-TO-KNOW ON BUDGET PROCESS

Plymouth THE MONTSERRAT TIMES in English 2 Nov 84 p 4

[Editorial]

[Text]

Montserrat's Government has well staffed Development and Information Units at its disposal and can therefore find no valid excuse for its continued failure to brief the public on the state of the colony's finances. To suggest that public financing is an area which should be closed to public discussion is to suggest that democracy is a joke

Government's experts are preparing the Estimates of Expenditure for the next fiscal year and before these Estimates are laid on the table in the Legislature, the public should be told whether the revenue estimated for the current year has been realized.

It has been reported that the estimated revenue yield from Customs Duty has been running slightly behind but that it is likely to catch up during the two last months of the year. Whether this report is correct or not it should be appreciated that full disclosure can only stimulate public interest and awareness.

The Public Has a Right To Know

It would be a feather in the Government's cap if the Hon. Minister of Finance can present a Budget which does not show any cuts in

essential services or any drastic reduction in public expenditure. But if, as we have been told, the situation may require highly unpleasant action, the public should be given adequate notice.

The public has a right to know and that right should be respected by the Government. In our context, the right to know must be extended to Statutory Corporations. For instance, what is the real situation at the Montserrat Sea Island Cotton Company Limited (MISIC)? Earlier this year, the Hon. Minister of Finance announced that he had successfully negotiated a large loan for MISIC. Must we assume that MISIC is well on the road to viability?

It is to be hoped that the Government, embattled though it may be, will eventually decide to let the people of Montserrat know much more about their own affairs.

And if by Budget time the Hon. Minister of Finance discovers that Little Bay can no longer be regarded as foundation for economic development on Montserrat, he must put his feelings on the record.

POLITICS CHARGED IN APPOINTMENT OF EDUCATION OFFICIAL

Plymouth THE MONTSERRAT TIMES in English 23 Nov 84 p 1

[Text]

The Caucus, Executive body of the ruling People's Liberation Movement has taken a decision on the appointment of a Director of Education, according to sources highly placed.

Sources would not be specific, but hinted that the Caucus rejected the recommendations of the Public Service Commission.

It was further hinted that the ruling party may have advised Government ministers to appoint an Advisor on Education who will not be subjected to public service regulations.

During a political meeting in Plymouth a few months ago, the Chairman of the PLM, Mr. John Kelsick, made it clear that the appointment of a Director of

Education would be a political decision.

A Government insider contacted today, said Ministers are in no position to flout the decisions of the Party's Caucus.

According to sources, the Caucus decision can be regarded as a victory for Chief Minister John Osborne over the Minister of Education.

It could not be ascertained, however, whether Governor David Dale will make the appointments before his tour of duty expires early next month. He is officially scheduled to leave here on December 18th.

Sources pointed out that funds for the additional salaries may not be available until next year.

CSO: 3298/233

MONTserrat

BRIEFS

NEW PARTY'S OFFICERS--The eleven man steering committee of the National Development Party (NDP) met for the first time last Monday and elected the following officers: Chairman: Bertram Osborne; Secretary: Kenny Cassell; Ass. Sec: Steve Adolphus; Treasurer: Dave Fenton; Public Relations Officer: David Edgecombe. The Committee is responsible for the affairs of the party and for planning and executing all of the ground work leading up to the party's first General Convention at which the officers of the NDP will be elected for a one year term. [Text] [Plymouth THE MONTserrat TIMES in English 23 Nov 84 p 10]

CSO: 3298/233

PRESIDENT STOESSNER DELIVERS CHRISTMAS MESSAGE

PY241450 Asuncion Domestic Service in Spanish 1204 GMT 24 Dec 84

[Paraguayan President Alfredo Stroessner's Christmas Message to the nation from Government House--live]

[Excerpts] Paraguayan people: With joy we recall today the date which is universally celebrated for the birth of Jesus. It recalls the beginning of a new era for mankind, and it forges the Christian spirit of our nation, which is proud of the prevailing peace and justice.

We are a nation which respects the principles of the self-determination of peoples and nonintervention in domestic affairs of other states. But democracy must not fall into suicidal weaknesses. Therefore, we are alert in order to firmly resist the representatives of international communism, the agents of crimes and subversion, the mouthpiece of an atheist and cruel materialism, which we condemn with all the moral force of our patriotic convictions.

Those who shield themselves behind human rights and who are elements of terrorism will not come here to give us lessons on how to respect human dignity. We are the legitimate defenders of human rights, because we preserve the lives of our inhabitants, promote social, economic, and cultural development, and prevent abuses from being committed in the name of liberty. Thus, we are alert against criminals or bandits disguised as democrats to prevent them from disrupting the peace, well-being, and hope of society.

Our democracy is not and will not be weak, because it is supported by the strength and participation of the people, who are ready to repel any domestic or international conspiracy against our legitimate and solid constitutional order.

The Paraguayan flag will continue flying with the brilliance of its glory and the greatness of peace, regardless of how painful it may be for the traitors who, being devoid of patriotism, haul down and trample upon flags, while the people raise themselves to the height of history, raising with pride a sacred flag, the symbol of the deeds of our heroes. [applause]

People of Paraguay: I hope that we will continue working with patriotic dedication and that 1985 will be another year of peace, harmony and progress.

Seeking to accomplish my tasks, I will try to live up to the virtues of our heroic people, who are today enjoying the happiness they deserve, and to hold high the banner of their honor and sovereignty. [applause]

I thank Almighty God for His protection, and I ask Him to enlighten me so I can continue serving with dignity and dedication the cause of the greatness of the Paraguayan republic. [applause]

CSO: 3348/217

SENATOR'S RELATIVES DENY ATTACK CAUSED DEATH

PY182044 Asuncion HOY in Spanish 16 Dec 84 p 11

[Excerpt] "My father had no enemies, and these reports are not as truthful as they should be," said Julio Gonzalez Maya, one of the sons of the recently deceased Senator Hermogenes Gonzalez Maya, dean of the School of Economic Sciences of the Asuncion National University and a member of the Colorado Party Executive Board.

Julio Gonzalez Maya was talking about an AFP report received in Asuncion stating that Gonzalez Maya died of injuries sustained during an attack by unknown assailants at his home. "My father was overwhelmed by feelings of 3 November, the birthday of the president of the nation, and fell down, as a result of which he was severely injured in the head. This injury led to his hospitalization at a local private hospital, where he was operated on by Drs Luis Valenzuela and Guido Martinez. As a matter of fact, he did not die of the injuries sustained in the fall but from later complications, which probably appeared due to his advanced age." Julio Gonzalez Maya thus refuted the AFP report.

CSO: 3348/216

PARAGUAY

POLITICAL PRISONERS LIFT HUNGER STRIKE

PY191550 Asuncion ULTIMA HORA in Spanish 18 Dec 84 p 41

[Text] Emilio Lugo, Roque Ruiz Diaz, and Antonio Gonzalez, who are imprisoned in the Tacumbu penitentiary charged with alleged membership in the Pro-China Communist Party, this morning lifted their 10-day hunger strike.

Arcadio Flores, Felipe Flores, Vidal Martinez, Mariano Martinez, Francisco Dure, and Gil Santos Dure, who were involved in the "Caaguazu case," also called off their hunger strike. They started their strike on 4 December, claiming that the courts were delaying action to clear their case.

It is recalled that the hunger strike started by the people involved in the 'Caaguazu case' was joined by Emilio Lugo, Roque Ruiz Diaz, and Antonio Gonzalez, who were indicted for forming a communist cell and promoting communist ideas, which are legally banned in our country.

A communique released by the Committee of Churches, whose attorneys are defending the indictees, states that "the indictees are lifting their hunger strike in view of the encouraging prospects for a quick solution of the problem posed by the commitment publicly made by judicial officials, who have already taken the first steps to this effect."

Concerning the 'Caaguazu case', it is recalled that a brief was submitted to the Supreme Court of Justice by which the prosecutor appealed the ruling of the lower court which released the Centurion brothers, who have been free since March 1983.

CSO: 3348/216

BRIEFS

**INDICTEE IN PRO-PRC CASE ACQUITTED**--The criminal appellate court today acquitted an indictee and ordered her release and confirmed the sentence passed on other indictees in the so-called "pro-China case" [defendants charged with being members of a pro-Beijing communist cell]. Margarita Baez Romero was acquitted by the 2d Appelate Court and the sentence of 4 years and 8 months imprisonment was confirmed for Roque Ruiz Diaz, Antonio Gonzalez Arce (alias "Comrade Jesus"), and Emilio Lugo Valenzuela. The latter are charged with violating Law 209. [Excerpt] [Asuncion EL DIARIO in Spanish 18 Dec 84 p 18 PY]

**DEFENSE MINISTER DENIES MENGELE MESSAGE**--Reports from Lima disseminated by various international news agencies have indicated that "Paraguayan Defense Minister General Gaspar German Martinez has categorically denied that Joseph Mengel, a Nazi doctor charged with murdering 400,000 Jews, is staying in Paraguay. The high-ranking military officer, who arrived in Lima to participate in the ceremonies marking the 160th anniversary of the Battle of Ayacucho and the Day of the Army, which were commemorated on 9 December, explained that a committee headed by the German Beate Klarsfeld, who is searching for the Nazi doctor, has met with Paraguayan Government officials on three occasions. He added that the latest information received from abroad hints that Mengel is in Miami in the United States," according to news agency reports received at this newspaper. [Text] [Asuncion ULTIMA HORA in Spanish 10 Dec 84 p 12 PY]

**ADVERTISEMENT OFFERS REWARD ON MENGELE**--Asuncion EL DIARIO in Spanish on page 5 of its 10 December issue publishes a full-page advertisement offering 10 million guaranies, \$25,000 at the current market exchange rate, for any information leading to the capture of Joseph Mengel, who is described as a former Nazi torturer and killer of 400,000 Jews during World War II. The advertisement bears a picture of Mengel, showing the left side of his face. The picture, a caption says, was taken in 1976, at the age of 65, as can be determined by the year of his birth given in the advertisement, 1911. The following address is given for mailing information: Beate Klarsfeld, or F.F.D.J.F., 32 Rue la Boetie, 75008, Paris, France; phone 561-1878. [Editorial Report]

**DETENTION OF POSADAS DEMONSTRATORS REQUESTED**--Attorney General Clotildo Jimenez Benitez today asked Criminal Judge Edgar Stanley to process and to issue arrest warrants against the following persons: Epifanio Mendez Fleitas, Domingo Laino, Luis Alfonso Resck, Basilio Gonzalez Hermosilla, Miguel Angel Aquino, and Enrique Ramirez. In his brief, the attorney general states that these persons attacked the Paraguayan Consulate in Posadas [Argentina] and that, by virtue of

the Vienna Convention of 24 April 1963, they fall under the jurisdiction of the Paraguayan courts. Finally, the attorney general recommends that these persons be charged under Article 7 of Law No. 209, which states: Those who publicly offend a national symbol will be sentenced to a jail term ranging from 1 to 4 years. Judge Stanley has not yet made a decision concerning this petition. [Text] [Asuncion Teledifusora Paraguaya Television in Spanish 1500 GMT 12 Dec 84 PY]

CSO: 3348/216

ONR CONVENTION EXAMINES TOBAGO VOTE, POLITICAL CLIMATE

Hudson-Phillips Address

Port-of-Spain TRINIDAD GUARDIAN in English 3 Dec 84 p 1

[Text]

THE ORGANISATION for National Reconstruction (ONR) yesterday called for a review of the personal income and corporate tax structure in Trinidad and Tobago.

Leader of the ONR, Mr Karl Hudson-Phillips, said that in real terms there was a "fantastic" increase in taxes paid by individuals due to increased utility prices and prices for basic commodities bearing Customs and Excise duties.

He was speaking at the fifth annual convention of the ONR to a packed hall at Presentation College, San Fernando.

In a wide-ranging address, he spoke of the social, economic and political situation in the country, tracing a history from 1956 to the present.

He touched on taxes, the industrial relations climate, unemployment and the value of the Trinidad and Tobago dollar.

Mr Hudson-Phillips suggested that there should be a special tax regime for corporations with particular reference to capital investment, exports and more particularly, geographical location.

He said that manufacturing companies should be given special tax status to locate in Tobago, Sangre Grande, Caroni, Point Fortin and Guayaguayare to take up the slack of unemployment.

The ONR leader said that they must be within a policy that stressed economic efficiency and that a special export policy must be devised to revitalise the manufacturing and agricultural policy.

Mr Hudson-Phillips said the export policy must contain lower tax burdens, lower interest rates, tax exemption on a portion of export earnings, among other measures.

Labour must be a critical element in the economic management system, he said.

The ONR leader pointed out: "We were criticised for saying that the DEWD programme and education system must be reorganised.

"Ways must be found fast to institute a national programme for retraining of retrenched workers."

He said: "Retrenchment is a burden in Trinidad and Tobago, not only because alternative employment is not there, but because no system of retraining is there."

Mr Hudson-Phillips emphasised that running a country is one big partnership between the Government, the private sector and labour.

He said that a lot of people expected that with the defeat of the ONR in 1981 it would have gone out of existence.

"What they did not assess and realise was that the ONR was more than a political party. It was a vision of a people. It was a crusade."

Mr Hudson-Phillips said that it would be no use winning the next election on a negative response. "We must win the next election with a majority that has been educated by us to understand the issues and the task ahead," he said.

The ONR leader said that the next government would have to address the total economic situation of Trinidad and Tobago seriously.

LAYING THE BLAME

"Because of the measures which are now required, because of PNM incompetence, nothing short of a revolution will take place in Trinidad and Tobago unless the

population is educated and told the reasons why we are in the situation in which we are.

"They must also be told what has to be done, however painful, in order to get us out of the mess in which we are," he declared.

Mr Hudson-Phillips said that employers must explain that the low wage increases being offered could be traced directly back to government policies, government mismanagement and government inefficiency.

Now was the time for the employer and organised labour to sit down and analyse the reasons why we have been brought to the situation where workers were being forced to accept rising costs, a health surcharge and yet be expected to accept low wage increases which did not balance the rise in the cost of living he said.

"Serious discussions between the non-public sector employer and the labour force must take place in order to lay the blame for our present situation where the blame is due," he said.

"Employers must analyse and explain to the workers that the present economic situation is the fault of no one but the Government which

has been in power for 28 years."

The ONR leader said that unless the country showed a surplus on current account, "we will not be able to borrow money on the traditional international capital markets."

He claimed that Mafia money was already in Trinidad and Tobago which demanded not only high rates of interest but protection money.

Mr Hudson-Phillips said that the Government of Trinidad and Tobago, for purposes of short-term political expediency, was afraid to tackle the serious problem of the rate of exchange of the Trinidad and Tobago dollar for fear of political repercussions.

The TT \$ was already revalued in the streets, he said, adding that the "unrealistic" measures introduced by Government and the Central Bank while showing a paper effect had increased the non-institutional trade in US dollars higher than the official rate.

Mr Hudson-Phillips also stated that none of the energy-based industries had any backward linkages into the economy to stimulate self-sustaining activity and growth. He said: "We have steel mill and we still import steel for building houses."

#### ONR Commitment to NAR

Port-of-Spain TRINIDAD GUARDIAN in English 3 Dec 84 p 3

[Text] Mr Karl Hudson-Phillips, political leader of the Organisation for National Reconstruction, said yesterday that no alliance of opposition parties would last unless it was firmly rooted in policies of principles and not on personalities or men.

He was speaking at the fifth annual convention of the ONR at Presentation College, San Fernando.

Referring to the formation of the National Alliance for REconstruction (NAR) and his party's role in it, Mr Hudson-Phillips said that without the ONR there could be no accommodation or no NAR because then it would be back to square one.

The ONR leader said: "It is the ONR alone which has been able to mount a serious national threat to the PNM. He noted that in a sense the vision and policy of the ONR contributed to its (ONR's) defeat in 1981.

"I say so because we threatened all and sundry."

He said: "Our friends in the Alliance, DAC and Tapia, could not touch the PNM in the East-West corridor. We can."

"The PNM cannot touch the Alliance in Caroni but we can. That is because we started off being, and remain, a national party.

Mr Hudson-Phillips said that the ONR was committed to being the hub of the wheel, the yoke bearers, to ensure the removal of the PNM.

He also congratulated the DAC for its victory over the PNM in the Tobago House of Assembly elections and said he hoped that the assistance given by the ONR contributed in some measure to the DAC victory.

He told the convention in part:

"What has happened in my view is that there has been an acknowledgement in Trinidad and Tobago that if any political force is to remove the PNM, the ONR is an indispensable part of that force.

"It is the policies and the philosophy of the ONR which has caused the dramatic turnaround in the political scene in Trinidad and Tobago in the last four years. We have been the agent and the vehicle.

#### Gloating

"We have recognised this responsibility to the people of Trinidad and Tobago. We have done so with humility and without gloating or trying to up-stage anybody. Our sincerity of purpose, however, must never be construed as an intention to abandon the core of our principles or the heart of the inspiration which we have brought to the citizens of Trinidad and Tobago.

"If there is hope in 1984 of removing the PNM, it is because the ONR has brought hope."

Mr Hudson-Phillips said it was because of this conviction of the indispensable nature of the role that the ONR had to play that they could afford a generosity of spirit and that they could afford to make concessions.

#### Generosity

"This, of course, is always provided that those to whom we are generous will show generosity to us. Those to whom we make and continue to make concessions will also in the noble spirit of the national compromise, also make concessions to us," he said.

He said the population could expect nothing but honesty, principles and high moral leadership from the ONR. The party, he pointed out, was stronger now than it was in 1981 and in a better position to assist its political partners under the banner of the National Alliance for Reconstruction.

"A weak ONR will mean a weak NAR. A collapse of the ONR will mean a PNM victory. We in the ONR are committed to being the hub of the wheel, the yoke bearers, to ensure the removal of the PNM," he said.

Mr Hudson-Phillips said his party had committed itself to a National Alliance which was a federation of parties. "We have stopped short of forming one unilateral party at this stage because that would have meant, at this stage, a disbanding of the ONR and a weakening of the NAR."

He said the people must not for one moment underestimate the continuing capacity of the PNM for "infiltration and mischief."

He said that no alliance of opposition parties could last unless it was firmly rooted in policies of principles and not on personalities or men.

"We in the ONR are insisting that the population be given a clear and unambiguous vision, a policy of where we are going. It is more than the negative of politics for the sake of removing the PNM. It must go beyond that. It must tell the population, including those who supported the PNM in the past, what our vision is and what we are going to ask of the population for the Nation."

#### Blame for Labor Unrest

Port-of-Spain EXPRESS in English 3 Dec 84 p 64

[Text]

POLITICAL leader of the Organisation for National Reconstruction, Karl Hudson-Phillips, said yesterday that the "villain of the piece" in the current industrial unrest in the country was not the workers or employers but the government of the People's National Movement.

Hudson-Phillips was addressing the party's 5th National Annual Conference at Presentation College in San Fernando. The conference was chaired by Roy Augustus. Said Hudson-Phillips: "The government is 'sooking' workers behind employers and, behind the scenes, the government is 'sooking' employers behind workers."

The ONR leader outlined a new strategy to deal with what he described as the "present economic mess." He said the new strategy must contain the following elements:

1) identification of these industries which will earn an increasing amount of foreign exchange;

2) identification of these industries which will provide essential goods and services for the domestic market;

3) social and economic policies which will have as their main thrust their achievement of sound justice through the full development and utilisation of labour, the maintenance of efficiency of both domestic and export sectors in the acquisition of modern technology with the development of the required financial and other institutions.

## Opposition Unity

Port-of-Spain TRINIDAD GUARDIAN in English 4 Dec 84 p 20

[Text]

MR. KARL HUDSON-PHILLIPS, Political Leader of the Organisation for National Reconstruction (ONR), was given a standing ovation at the end of his hour-long address at the party's fifth annual convention held at Presentation College, San Fernando on Sunday.

The address was followed by a capacity crowd that overflowed into the compound on both sides of the auditorium. Among guests were Opposition Leader Basdeo Panday, Tapia House Chairman Dr. Beau Tiwarie, representatives of the British High Commission, the United States Embassy and India High Commissioner Placido De Souza.

As jubilant ONR members clapped and swayed to a calypso, Mr. Hudson-Phillips, Mr. Panday and Dr. Tiwarie joined their up-raised hands in acknowledgement of the "unity" being proffered in the National Alliance for Reconstruction (NAR) — the federation of opposition parties.

### HAND CLAPPING

Shortly after Mr. Hudson-Phillips spoke party Chairman Roy Augustus (re-elected unopposed at Sunday's convention) told the assembly that it would really be improper not to ask the two leaders of opposition parties to speak for a few minutes, and after they did so, Mr. Tiwarie and Mr. Panday in that order. The convention ended with hand clapping and the singing of a calypso.

Dr. Tiwarie said his dream of a national party was slowly but surely emerging into solid reality.

Mr. Panday said that as far as he was concerned struggle for national unity had begun when he fought his first election in 1966 under the banner of the Workers and Farmers Party (WFP) and lost his deposit.

Mr. Hudson-Phillips said that the ONR should be proud that it had come to be recognised as being indispensable to the plan for national unity. He called for a firm declaration of policy and programme as well as the determination of the leadership of the national party — the federation of parties.

Dr. Tiwarie called for the drawing up of a constitution and election of the leadership — "leadership, not the leader."

Mr. Panday said that special committees had been set up to draw up the constitution, to make proposals for policy and programme and to decide the framework for electing the leadership.

But he added: "It is not easy. It cannot be easy, considering the fact that we are dealing with people who have fought against each other ... who have opposed each other. But we have come a long way."

## Augustus on NAR Leadership

Port-of-Spain EXPRESS in English 4 Dec 84 p 5

[Text] ORGANISATION for National Reconstruction party chairman, Roy Augustus, declared yesterday that the party must be prepared to support whoever was elected to lead the NAR into the 1986 general election, once that selection was made after a serious and in-depth investigation into all contenders for the post.

Augustus said this at the opening of the ONR's fifth annual conference held at the Presentation College in San Fernando.

A packed audience followed the proceedings. Augustus was re-elected unopposed to the chairmanship of the party. Said Augustus: "On the question of the leadership of the NAR, I must say that I have never believed that any leader was omnipotent or all-embracing. But in the

interest of national unity, all the parties involved should sit down and decide on the best person to lead the NAR into the 1986 general election."

Augustus said this selection must be done "after a careful, serious and in-depth investigation into the capability, image and character of all the contending persons for the post."

He then gave this commitment: "If after this in-depth analysis the leadership of the NAR does not go to the ONR leader, I want to say here and now that the ONR should put its full weight behind the leader chosen. I give my commitment that I shall support that leader with all my strength."

This declaration was greeted with sustained applause.

Augustus said that last year he was opposed to the accommodation idea for the local government elections. He said at that time he felt that the ONR should have contested the elections by itself. However, he told the crowd on the convention floor, that since then he had changed his views and was now "personally, totally and irrevocably committed to national unity."

He said it was important that all the peoples should get together for the development of the country.

Augustus said that the NAR should begin talking with the trade unions, the national sporting bodies and the national cultural bodies. He argued that the base for the 1986 general election must be made firm as of now.

## Panday Remarks

Port-of-Spain EXPRESS in English 4 Dec 84 p 64

[Text]

OPPOSITION leader Basdeo Panday said that the results of the Tobago House of Assembly elections last week "exploded the myth of PNM's invincibility."

This was the first time that Panday had commented on the landslide victory of the Democratic Action Congress. The DAC won 11 seats in the 12-member House of Assembly.

Panday addressed the fifth annual national convention of the Organisation for National Reconstruction (ONR) held at the Presentation College in San Fernando. He was given a standing ovation both before and after delivering the address. He was warmly embraced by ONR leader, Karl Hudson-Philips.

Panday told the cheering delegates that the National Alliance for Reconstruction (NAR) was now the "single most dangerous step in the PNM book." He warned that the PNM would seek to destroy the unity of the opposition groups.

Panday told the ONR convention that "now was not the time to ask who was stronger or better, it was the time to bury differences and build the solidarity of the parties." Panday said that the opposition groups fought against each other in the past but nothing positive could come from recrimination and spite. He called for total unity in the march against the PNM.

The opposition leader said the NAR should begin to take the problems within the unity process to the people. Said he: "We must begin to take the problem to the people for them to help us resolve. We can get so much inspiration and strength from merely meeting and talking to the people."

### Executive Selections

Port-of-Spain TRINIDAD GUARDIAN in English 4 Dec 84 p 20

[Text]

MR WINSTON "REDS" MULLIGAN, former national table tennis champion who later served as national coach, is the new Labour Relations Officer of the Organisation for National Reconstruction (ONR).

Mr. Mulligan was elected at the party's fifth annual convention held at Presentation College, San Fernando, on Sunday afternoon, beating his nearest rival, Mr. Phillip Nunez by 163 votes to 111. Mr. Alexander Thomas, the other candidate for the post, received 28 votes.

Mr. Mulligan succeeds Mr. Ferdie Ferreira, who did not seek re-election and who with his wife was given a special welcome by convention Chairman Roy Augustus when he arrived late in the afternoon.

While both Chairman Roy Augustus and First Vice-Chairman Clive Pantin were re-elected unopposed Dr. Ramesh Mootoo, Second Vice Chairman had three rivals for office but he emerged victorious by a wide majority of votes.

Election results: Mr. Roy Augustus, Chairman; Mr. Clive Pantin and Dr. Romesh Mootoo, Vice Chairmen; Mr. Stalin Jones, General Secretary; Mr. Sonny Singh (who won from his sick bed) Assistant Secretary; Mr. Ronald Ramcharan, Treasurer; Mr. Neville Hordatt, Education Officer; Mr. Lennox Raphael, Public Relations Officer; Mr. Winston Mulligan, Labour Relations Officer; Mr. Kenneth Ablack, Elections Officer; Mr. Gerald Hadeed, Research Officer; Alderman Mervyn Assam, Party Organiser; Councillor Kenneth Butcher, Youth Officer (Male); Miss Carol Noel, Youth Officer (Female) and Mrs. Myrie Stephens, Welfare Officer.

CSO: 3298/237

TOBAGO ELECTION, ITS AFTERMATH: COMMENT, ASSESSMENT

Blast At Chambers

Port-of-Spain EXPRESS in English 24 Nov 84 p 3

[Article by Compton Delph]

[Text]

**SCARBOROUGH:**  
**KARL HUDSON-PHILLIPS**  
has called for the resignation  
of Prime Minister George  
Chambers and his Govern-  
ment following what he said  
will be certain defeat of the  
ruling People's National  
Movement at Monday's Tobago  
House of Assembly election.

"When he (Chambers) is beaten in Tobago, the people must call for his resignation," the leader of the Organisation for National Reconstruction told a crowd of well over 2,000 Tobagonians on Thursday night.

"If he wins in Tobago, he will call general elections early next year, reasoned Hudson-Phillips.

"So when he loses on Monday, he should call one, too, if he and his government refuse to resign."

Hudson-Phillips, who was speaking at a public meeting of the DAC at the Scarborough Market Car Park, also predicted that the Government, which is in serious financial trouble, will devalue the country's currency after the Assembly elections.

He said that Tobago had not only been neglected by the Government, but had been the victim of a "gigantic mamaguy" with the PNM at the first Assembly elections in 1980 promising development of the island's tourist and fishing industries and a special subsidy for Tobago students who had to attend school in Trinidad. These promises, he said, vanished after the PNM was thoroughly beaten at those polls.

The ONR leader was supported by ULF parliamentarian, John Humphrey, in deriding the Government's call upon the House of Assembly for financial accountability when it is known throughout the country they said, that the Government had never accounted for billions of taxpayers' money and had countenanced countless cases of corruption within its ranks.

Humphrey, who has become known for his "Chambers jokes," drew sustained laughter from the crowd when he told the imaginary story of Seaga of Jamaica, Burnham of Guyana and Chambers of Trinidad being captured by guerrillas

## DAC Victory

Port-of-Spain EXPRESS in English 27 Nov 84 pp 1, 64

[Article by Gregory Shaw]

[Text]

**SCARBOROUGH exploded in scenes of wild jubilation last night as the Democratic Action Congress swept to an overwhelming 11-1 victory over the People's National Movement in the second Tobago House of Assembly elections. Four years ago, the DAC, led by A.N R. Robinson had won eight seats to the PNM's four.**

**Yesterday, the Tobago-based party did even better than an Express poll conducted by the St. Augustine Research Associates and published two Sundays ago which gave DAC a 10-2 victory over the PNM.**

Among the PNM seats to fall were Plymouth/Whim where Stanford Callender, chief PNM whip in the House of Assembly, lost to Gerald McFarlane by a margin of 865 votes to 651, and L'Anse Fourmi/Speyside where Thomas De Noon submitted to Kenneth Murray by 845 to 737.

As news of the victory spread even while counting was in progress, thousands of Tobagonians swarmed into downtown Scarborough in a frenzy of celebrations. Main Street was mass of heaving pulsing humanity, jumping to the strains of calypsoes.

The focus of the crowd celebrations was the home of DAC leader, Robinson, who was given a hero's reception on his arrival from his own constituency, Roxborough/Delaford, where he had witnessed the counting of votes.

Interviewed by the EXPRESS amidst jubilant supporters, Robinson said that "justice and democratic principles" now demanded that the Trinidad and Tobago Government act and act swiftly to resolve the Tobago issue.

"If they don't," he warned, "pressure will intensify not only in Tobago but also in Trinidad and the PNM will be involved in a fight for survival."

Robinson was joined by Karl Hudson-Philips, political leader of the Organisation for National Reconstruction and Basdeo Panday, political leader of the United Labour Front and the Alliance Opposition Leader in the House of Representatives, who also received heroes' receptions from the crowds.

Robinson pointed out that the Tobago result enhances the chances of the National Alliance for Reconstruction nationally and puts the PNM Government of Prime Minister George Chambers on the defensive.

"It is the NAR that has won the election," Robinson said, noting that the DAC was, in fact, a component of the Alliance of opposition parties.

In the PNM camp, a stone's throw from Robinson's house, the results were greeted by shock and disbelief and the mood finally settled into gloom.

Beaten PNM whip, Callender, said that he just could not comprehend the defeat. He said the PNM party machinery in Tobago had never functioned more smoothly.

Beatrice Julien, who was narrowly unseated for the Scarborough/Signal Hill seat by marine biologist, George Stanley Beard, was incoherent when the EXPRESS spoke with her shortly before the final votes in that seat were counted. "I do not know what is happening at this point," Mrs Julien said in a telephone conversation.

Earlier last night, however, Labour Minister, Errol Mahabir, the PNM Deputy Political Leader in charge of party matters, said that "win, lose or draw," the campaign indicated that the PNM machinery in Tobago did not function as smoothly as it should have.

Prime Minister and Political Leader of the PNM, George Chambers, who invested heavily in these elections with his extended visits to the island, leading the party in the attempt to change the balance in the Assembly, was not on hand here last night to witness the counting. He had returned to Port of Spain on Sunday night at the end of the campaigning.

## Results by Constituency

**Port-of-Spain EXPRESS in English 27 Nov 84 p 64**

**[Text]** YESTERDAY'S Tobago House of Assembly elections encouraged 19,494 voters to come out and cast their ballots, according to preliminary figures. With the electorate amounting to 28,052 the polling numbers represented a percentage of 69.8.

This was an increase of almost seven per cent on the 1980 figure. Below is a detailed account of the voting:

●**BETHEL/PATIENCE HILL**  
**MIRIAM CAESAR—MOORE (DAC) ...1,061**  
**GWENDOLYN BREBNOR (PNM) ...649**  
**RAYMOND ALLEYNE (NJAC) ...8**  
**VOTES CAST ...1,718 or 72.6% of TOTAL 2364**

●**MORIAH/PARLATUVIER**  
**BERNADETTE DES VIGNES (DAC)...981**  
**ERICA SAMPSON (PNM)...690**  
**TREVOR HEADLEY (NJAC)...26**  
**VOTES CAST 1,697...or 69.9 % of TOTAL 2426**

●**LES COTEAUX/GOLDEN LANE**  
**HOCHOY CHARLES (DAC)...843**  
**HILSON PHILLIPS (PNM)...514**  
**LESLIE TRIM (NJAC)...21**  
**VOTES CAST 1448...or 69.8 % of TOTAL 2,072**

●**CANAAN/BON ACCORD**  
**GEORGE ARCHER (DAC)...933**  
**HILTON BOBB (PNM)...669**  
**ISMAIL HAKIM (NJAC)...11**  
**VOTES CAST ...1,613 or 76.6 % of TOTAL 2,144**

●**BUCCOO/LAMBEAU**  
**WILLIAM MCKENZIE (PNM)...897**  
**CLIFFORD BAYNES (DAC)...790**  
**ZAHIR QAYYUM (NJAC)...31**  
**VOTES CAST ...1718 or 70.1 % of TOTAL 2,451**

●**SCARBOROUGH/SIGNAL HILL**  
**BEATRICE JULIEN (PNM)...768**  
**GEORGE BEARD (DAC)...770**  
**EMBAU MOHENI (NJAC)...23**  
**VOTES CAST ...1,561 or 64.1 % of TOTAL 2,417**

●**PLYMOUTH/WHIM**  
**STANFORD CALLENDER (PNM) ...865**  
**GERALD MACFARLANE (DAC) ...957**  
**DAVID WILLIAMS (NJAC) ...13**  
**VOTES CAST ...1,835...or 65.9 % of TOTAL 2,624**

●**PROVIDENCE/CALDER HALL**  
**CLARENCE WARNER (DAC)...918**  
**VERNON DENIS (PNM)...683**  
**AVA JOSEPH - WARE (NJAC)...37**  
**VOTES CAST ...1,638 or 66.9 % of TOTAL 2,450**

●**OL'ANSE FOURMI/SPEYSIDE**  
**THOMAS DENOON (PNM)...737**  
**KENNETH MURRAY (DAC)...845**  
**AYODELE MOHENI (NJAC)...18**  
**VOTES CAST ...1,600 or 73.9 % of TOTAL 2,146**

●**BELLE GARDEN/GOODWOOD**  
**JEFF DAVIDSON (DAC)...1,062**  
**JOHN ROBLEY (PNM)...466**  
**OPOKU WARE (NJAC)...24**  
**VOTES CAST ...1,552 or 66.1 % of TOTAL 2,337**

●**BACOLET/MT ST GEORGE**  
**EDWIN CAESAR (DAC)...1,035**  
**RAPHAEL ALFRED (PNM)...760**  
**THUKU MOHENI (NJAC)...47**  
**VOTES CAST ...1,842 or 71.9 % of TOTAL 2,566**

●**ROXBOROUGH/DELAFORD**  
**ANR ROBINSON (DAC)...995**  
**MARILLA SMALL (PNM)...432**  
**EUGENE ST LOUIS (NJAC)...15**  
**●VOTES CAST ...1,442 or 70 % of TOTAL 2,055**  
**●FINAL TOTALS:**  
**●DAC: 11,090**  
**●PNM: 8,130**  
**●NJAC: 274**  
**●VOTES CAST ...19,494 (69.8 PER CENT).**  
**●TOTAL ELECTORATE ...28,052.**

## NJAC Reaction

**Port-of-Spain EXPRESS in English 27 Nov 84 p 64**

**[Text]**

THERE were mixed reactions last night to the Democratic Action Congress' victory in the Tobago House of Assembly elections.

Political leader of the Organisation for National Reconstruction, Karl Hudson-Phillips, whose party supported the DAC said he was not surprised at the results

but Opoku Ware, leader of the Tobago arm of the National Joint Action Committee, said there was nothing to celebrate in the DAC victory.

According to Ware whose party's candidates were rejected by the Tobago electorate, "a victory for the DAC is not a victory for the people of Tobago."

Defiance of PNM

Port-of-Spain EXPRESS in English 27 Nov 84 p 8

[Owen Baptiste column "No Sacred Cows": "Goodbye, George"]

[Excerpts] The issues in the Tobago House of Assembly election, Prime Minister George Chambers had been telling party supporters in Tobago, are "secession, accountability and violence." And, he insisted up to Sunday, they were issues which the Democratic Action Congress had failed to respond to. Yesterday, in an impressive voter turnout, about 70 percent of the island's electorate of more than 28,000 people gave Mr Chambers the answer he was not expecting: "Leave Tobago to Tobagonians."

Though he may not admit it, the DAC's victory of 11 seats is a crushing defeat for Mr Chambers who invested a lot of time and money in this campaign. It is, too, a humiliating experience for senior ministers in his Government and party members who had joined him in Tobago to try to break the hold which the DAC, led by arch rival Mr A.N.R. Robinson, has on Tobagonians.

But in this election, it is clear that the Tobago voter rejected the accusations made by Mr Chambers against Mr Robinson, who was Chairman of the first House of Assembly, especially his charge of mismanagement of the \$715 million which was given to the Assembly since 1980. It is clear, too, that the Tobago voter did not accept Mr Chambers's charge and that of his ministers, that the DAC intended to sever relations with Trinidad. And it is clear, finally, that the Tobago voter considered to be a sinister lie the reports of arms caches and communists aimed at the National Alliance for Reconstruction.

Mr Chambers had said also that violence had descended on the island and that "fear and terror" stalked the land. There had been, however, no evidence of this, except an incident of alleged egg-throwing which resulted in the arrest of a school-teacher whom the police attempted, curiously, to deny bail. But a bogus report of arms smuggling reported in the Tobago Informer failed to raise any kind of official censure even after it was exposed by the EXPRESS. The fact is, although Mr Chambers was to say that "the other side has descended to vilifying members of the PNM team in the most vulgar way," PNM speakers were not shy of using just as inflammatory language.

Are there any lessons for us in this landslide victory by the DAC? I think there are. Tobagonians have shown us, in fact, that they are not cowed by the might of the PNM Government and are not afraid to suffer any kind of retaliation which the Government, embittered by its defeat, may foolishly consider. But, more importantly, I hope that they have shown us that a proud and independent people can conquer "dirty tricks."

## Speculation on PNM's Future

Port-of-Spain EXPRESS in English 27 Nov 84 p 8

[Editorial]

[Text]

**NO DOUBT**, Prime Minister George Chambers has already seen what's happening in Tobago. Yesterday's defeat — the second for the House of Assembly — has demonstrated that superficial electioneering is not the way, in 1984, to win back what the People's National Movement has lost.

In a sense, it was an insult to the electorate to even offer the kind of cheap gimmickry that Tobago has seen over the past months. Party conventions, "rent-a-crowd" rallies, and hard-sell campaigns cannot erase the long years of neglect which Tobagonians have experienced at the hands of the PNM Government.

As the forecasters observed in the course of the campaign, the loss of this election has important implications for Mr. Chambers, who spearheaded the attack on the Democratic Action Congress. Such a direct rebuff, we feel, is bound to reflect disastrously on his political abilities, in spite of his own protestations on Sunday, at the end of the motorcade in Scarborough, that his future is in safe hands. The party is going to have to do some hard thinking and we can look forward to some changes in the future.

But there are possibilities against which we should be on guard. With the party tending

towards disarray, the likelihood is that "dirty tricks" might become the order of the day. After 28 years in power, the real fear of defeat now might bring out the worst in those scrabbling for the last remnants of political advantage.

The Tobagonians have ventured their all, and now, almost completely alienated from the government in power, they risk even more heartless neglect at the hands of the Central Government. But if the PNM thinks that the Trinidadian citizenry will ignore such a trend, it should think again. The unequivocal stand taken up by Tobago might very well inspire Trinidadians to reconsider the position to

which they have grown accustomed since 1956.

The days of spurious electioneering might very well be at an end. Serious efforts will be needed to heal the rift between the governing party and not just the Tobago electorate but the Trinidad public as well. Without oil to ease the tensions between the Government and the populace, the PNM will have to look within itself and make some drastic changes in order to prevent this second political defeat from spawning a third in 1986.

But the Opposition parties should not take it for granted that this pattern necessarily

**means the end of the old order in Trinidad. The political situation here is much more complicated; the lines much less clearly drawn.**

**With DAC Chairman, ANR Robinson, being mooted for Prime Minister in the National Alliance for Reconstruction, the election results in Tobago is a spur for the Opposition parties. But, in effect, the present line-up on both sides of the fence bear remarkable similarities. The splits and cracks in the PNM make it almost like the amalgam of parties operating**

**under the banner of the NAR. The PNM has the advantage of power, the NAR that of the weariness with PNM rule. Both are liable to fissions in the politically dynamic situation into which we are now moving.**

**It is now a matter of which group gets its act together more convincingly before 1986. One thing is sure, however; the sluggishness of our political life is going to be cast off as the situation becomes more dicey. It is up to the citizenry at large to keep up with the moves of the politicians.**

#### Errors by Chambers

Port-of-Spain TRINIDAD GUARDIAN in English 28 Nov 84 p 8

##### [Editorial]

**[Excerpts] It was a foregone conclusion that the Democratic Action Congress led by Mr A.N.R. Robinson would retain control of the Tobago House of Assembly in Monday's elections.**

**What might have surprised many observers, however, was the extent of the party's victory over the People's National Movement which had brought many of its "big guns" into the campaign, obviously intent on recapturing the majority support it once enjoyed on the island or, at the very least, not surrendering any ground to the opposition.**

**Mr Chambers's personal attempt to extend the hand of friendship to the sister isle, to establish a new entente cordiale between his party and the disaffected folk of Tobago has been clearly and categorically rebuffed and, as a result, some may also see the outcome of the elections as a failure of his leadership.**

##### Revengeful

**But, however the results may be regarded, it would be superficial for anyone to believe that they were determined purely by the elections campaign or by the issues it had raised.**

**What the elections seem to have brought to the surface and what they may have eventually registered is a complex mixture of injured pride, a greater awareness of Tobagonians as Tobagonians, a chafing under the dependency syndrome, and a smoldering sense that they are the deliberate victims of neglect and under-development from a revengeful government.**

The beginning of this disaffection can be traced directly back to the arrogance and vindictiveness of the late Dr Williams who casually dismantled the Ministry of Tobago Affairs after his party lost the two island seats to Mr Robinson and Dr Murray in the national elections of 1976 and proceeded to turn his back on Tobagonians.

In answer to the backlash, Dr Williams just as casually suggested that it would be no big thing if Tobago decided to go it alone.

That insult to the Tobagonian's pride has been rankling ever since.

When Mr Robinson, expertly playing the political hand that the circumstances dealt him, bewailed that Tobago had been receiving a cruelly inadequate slice of the national cake, he was saying precisely what angry Tobagonians want to hear.

When Mr Chambers and his campaign team declared secession, accountability and violence to be the relevant issues they were not only talking to the wind but also showing how, in spite of their party's and government's own bungling, they misunderstood the reality of the Tobago situation.

Those may be worthwhile issues in Trinidad, but they were certainly not intended to reverse the government's loss of confidence and assuage the hostility of Tobagonians.

That is also why Mr Chamber's decision to ignore the THA during his pre-election "residential" visits to Tobago was considered such a bad mistake and considered by many islanders as another gratuitous insult from the leadership of the ruling party and the central government.

#### Tobagonian Nationalism

Port-of-Spain TRINIDAD GUARDIAN in English 28 Nov 84 p 1

[Text]

MR KARL HUDSON-PHILLIPS political leader of the Organisation for National Reconstruction, said yesterday that the Tobago election results showed that there was a strong feeling of Tobago nationalism which could not be shaken by a campaign of propaganda and slander.

He said the DAC had won a comprehensive victory in Tobago as he noted that the People's National Movement (PNM) had put the whole Government on the line in Tobago.

The ONR leader said he saw a case for constitutional reform to give Tobago a greater measure of representation in the national parliament.

Meanwhile leader of the Democratic Action Congress, Mr A.N.R. Robinson said the landslide defeat of the ruling People's National Movement by his party was "a tremendous endorsement" of his party's push for a more just and equitable relationship with Trinidad. He said the result was bound to have repercussions in Trinidad, particularly for the leadership of Prime Minister George Chambers.

"When people express themselves in this particular way, then it means any obstacle to their progress, anything which is both contrary to their deepest convictions and belief will come into conflict with them," he said.

## Padmore on PNM Leadership

Port-of-Spain TRINIDAD GUARDIAN in English 28 Nov 84 p 1

[Article by Clevon Raphael]

[Text]

PRIME MINISTER George Chambers's position as political leader of the People's National Movement (PNM) is under no direct threat as a result of the party's defeat in Monday's Tobago House of Assembly elections.

This was the impression given by Education Minister Overand Padmore in an interview in the Tobago headquarters of the PNM on Monday night while results were coming in showing that the DAC had secured control of the THA for the second consecutive four-year term.

Asked whether Mr. Chambers' leadership could be questioned within the party as a result of the 11-1 drubbing the party received, Mr. Padmore, who emphasised that the PNM Government would respect and abide by the decision of the electorate, said:

"It is in the Opposition's interest to create an impression for their own purposes that the PNM is an indisciplined party.

"It is we in convention who chose a political leader in 1981. It is we of the PNM who will continue to determine who our political leader is. The Opposition forces will not do this for us and they may rant and rave as they wish.

"PNM members have not expressed dissatisfaction with the leadership and that is what matters to us."

Minister Padmore said a major difference between the PNM defeat in 1980 and 1984 was a willingness this time of the party's supporters to identify themselves publicly.

Offering congratulations to the DAC, he replied when asked what he thought was responsible for his party's failure on Monday:

"There was a campaign of misinformation carried out by the other party, such as that Government would be vindictive towards Tobago if the PNM did not win. The same was said in 1980, but the evidence is there to show quite contrary."

Opoku Ware, Chairman of the National Joint Action Committee's political arm in Tobago and one of his party's twelve candidates, all of whom lost their deposits, said the DAC triumph was not a people's victory.

He said "That victory will not ensure the people would be given the opportunity to participate meaningfully in the affairs of the Tobago House of Assembly."

At 3 p.m. a recount of the ballots cast in the Scarborough/Signal Hill constituency was still in progress.

The PNM's candidate, Mrs. Beatrice Julien the incumbent requested the recount after Monday night's result showed she had lost the seat to her DAC challenger, George Stanley Beard, by two votes.

### MORE AUTONOMY

A major talking point in Tobago among both PNM and DAC supporters was the overwhelming victory margin of the DAC.

The defeat of PNM Assemblyman Stanford Callender to his DAC rival Gerald McFarlane in the Plymouth/Whim constituency, was another talking point.

Mr. Benedict Armstrong, campaign manager of the DAC, said the victory clearly showed Tobagonians wanted a greater degree of autonomy in running their own affairs.

Mr. Everett John, Secretary of the DAC, thanked the Trinidad officials and supporters of the National Alliance for Reconstruction (NAR) for their moral support in the DAC's campaign and hoped that Trinidadians would finally see the light and get rid of PNM in 1986.

According to an informed source, the new House of Assembly is expected to be inaugurated next week Tuesday or Wednesday with President Ellis Clarke officiating.

Robinson Exaltation

Port-of-Spain EXPRESS in English 28 Nov 84 p 1

[Text]

**THE People's National Movement is now engaged in a fight for survival, and showed their appreciation of this by throwing all their resources into the Tobago House of Assembly election campaign, A.N.R. Robinson said Monday night.**

Amidst tumultuous scenes around his residence in Scarborough in the wake of the Democratic Action Congress' almost total wipe-out of the PNM, Robinson, political leader of the DAC and outgoing chairman of the Assembly, spoke with the EXPRESS.

He said the PNM had mobilised all the resources of the state to fight this election. "We defeated not only the party, but also the Government," he declared.

The DAC won 11 of the 12 seats contested in Monday's elections.

Robinson said the election result had put the PNM and Prime Minister George Chambers, "on the spot."

Although he could barely be heard above the uproar, Robinson consented to an interview in which he stated that the election results were "a tremendous vindication of the DAC and its record in the Tobago House of Assembly."

It also represented, he said, a resounding repudiation of the charges made by the PNM with regard to secession, financial accountability and the importation of violence into the election.

Although flush with victory, Robinson was not in a forgiving mood. He indicated that, far from burying the hatchet, he intended to go ahead with legal proceedings against individuals whom he had accused of "dirty tricks" in the campaign. "It is necessary for the survival of democracy that such reprehensible and anti-democratic activities be exposed," he said.

Robinson accused the PNM of conducting "a debased and degenerate and partly criminal campaign the like of which has never been seen in Trinidad and Tobago."

However, on a conciliatory note, the DAC leader said he did not anticipate any insurmountable problems between the new House of Assembly and the Central Government.

The people had overwhelmingly approved the principle of local decision-making, he said. "If Government does not heed the message of this election, there's no point in holding any election in Trinidad and Tobago," Robinson added.

PNM Post Mortem

Port-of-Spain TRINIDAD GUARDIAN in English 29 Nov 84 p 1

[Article by Clevon Raphael]

[Text] People's National Movement will soon hold a post-mortem on Monday's elections to the Tobago House of Assembly in which the Democratic Action Congress (DAC) solidly beat both the PNM and the National Joint Action Committee (NJAC) to retain control of the THA.

Mayor of Port-of-Spain, Councillor Stevenson Sarjeant, who is also the PNM's public relations officer, said the PNM's strategy committee, under the chairmanship of Labour Minister Errol Mahabir, would be evaluating the results.

One victorious DAC candidate, Assemblyman Hochoy Charles, recalled yesterday that a few months ago, he told a public meeting in Fyzabad that the longer Prime Minister George Chambers remained in Tobago the better the chances of the DAC in winning the polls.

He added: "It was easy for us, for apart from the work we have been doing since 1980, the PNM, led by Mr Chambers, made a series of serious blunders in their campaign which went against them in the end."

**Victory Motorcade**

DAC will stage its victory motorcade on Sunday following the same route the pre-election motorcade took last Sunday. It will end up in Scarborough where speeches will be made.

Still in THA news, the recount called for by defeated PNM candidate Mrs Beatrice Julien confirmed the victory--by two votes--of her DAC challenger, George Stanley Beard, for the Scarborough/Signal Hill seat.

Senator Anthony Jacelon, Minister in the Ministry of Finance responsible for Central Government Administration of Tobago Affairs, said yesterday that he personally thought that Tobago had made a wrong choice in the elections, but it was their choice and he would abide by their choice.

He said as Minister responsible for Tobago Affairs "I have always done my job impartially and I will continue to do my job impartially."

He said he was prepared to have any discussions the Assembly wanted to hold with him.

Meanwhile, the case laid against PNM's Elections Officer Rennie Matthews was postponed in the Scarborough Magistrates Court to next Wednesday after the Police said they could not find Mr Matthews to serve him with the summons.

**Mr Matthews, a councillor in the St Patrick County Council, was charged privately by Mr A.N.R. Robinson, Chairman of the DAC, for allegedly making a false statement during the campaign period leading up to the THA elections, contrary to provisions in the Representation of the People's Act.**

**PNM Concern for Tobago**

**Port-of-Spain EXPRESS in English 29 Nov 84 p 3**

**[Article by Gregory Shaw]**

**[Text]**

**THE People's National Movement has no intention of writing off Tobago as a lost cause. Labour Minister Errol Mahabir said on Monday as the polls were about to close in the Tobago House of Assembly elections.**

Whatever the outcome of the elections, Mahabir said, the PNM is committed to the unitary state of Trinidad and Tobago.

Mahabir, who is Deputy Political Leader of the PNM, in charge of party and election matters, said that he believed in throwing maximum effort into whatever job is at hand. Accordingly, he was in the forefront of his party's campaign in Tobago over the past two weeks, orchestrating activities from Party headquarters on Robinson Street, Scarborough.

As polling day was drawing to a close, Mahabir said that the "uncertainty factor" in the election was high; he was not as familiar with the political environment of Tobago as with that of Trinidad.

Nevertheless, based on reports he had received from the field, he was

cautiously optimistic about his party's chances on election day. As it turned out, however, the PNM suffered a crushing defeat at the hands of the Democratic Action Congress (DAC), losing eleven seats to one.

In reflective mood, Mahabir said it had become obvious to him that, after defeat in two successive elections (1980 and 1981), the PNM machinery in Tobago was not as "well-oiled" as it was in Trinidad.

"It is obvious that the PNM will have to put more emphasis here than we have put in the past," he observed. "The Party has to be much more active and alert." He felt that the opening of the permanent office on Robinson Street was "a step in the right direction."

"We have fought the battle as best we can," Mahabir said, and he was convinced that "at the end of the day you will see that there is quite substantial support for the PNM in Tobago."

He said that, overall, the campaign had been a rewarding experience, and he had got to know Tobago and the people of Tobago better than before.

## Analysis of Vote

Port-of-Spain TRINIDAD GUARDIAN in English 30 Nov 84 p. 16

[Text]

**THE DEMOCRATIC Action Congress (DAC), in winning 11 of the 12 seats in the Tobago House of Assembly elections on Monday, polled 11,090 or 39.5 per cent of the electorate. The People's National Movement (PNM), in retaining only one seat, polled 8,130 votes, or 28.9 per cent of the electorate.**

The third party in the contest, the National Joint Action Committee (NJAC) polled an overall 274 votes in the 12 constituencies.

Both the PNM and DAC increased their popular support compared with the 1980 elections to the THA when the DAC won eight seats with 8,326 votes and the PNM four seats with 7,218 votes.

The electorate, on the other hand, increased from 25,000 to 28,000.

While in the 1980 elections only one candidate, Mr. A.N.R. Robinson (DAC), Chairman of the Assembly, polled more than 900 votes (905), in Monday's election, three of the DAC candidates polled more than 1,000 votes with five other DAC candidates polling more than 900. Mr. Robinson himself polled 995.

The PNM's highest vote was in the seat that the party won at Buccoo / Lambeau where its candidate polled 897 votes.

In one seat — Belle Garden/Goodwood — the PNM candidate John Robley, polled 466 votes, the same number polled by the party in 1980 when the seat was contested by Yvonne Denoon.

### ALTERNATIVE

In that constituency, the DAC candidate, Dr. Jeff Davidson, polled the highest votes in the election with a total of 1,062, an increase of 184 over the 878 he received in 1980.

Meanwhile, Dr. Bean Tewarie, Chairman of Tapia has called on the Opposition to form a national party as the alternative government.

He said: "Mr. Robinson and the Democratic Action Congress must be congratulated on their great victory in the House of Assembly elections. All of the candidates on the DAC team conducted themselves with tremendous dignity throughout the campaign, dealing with pertinent issues, successfully refuting charges and allegations and keeping the nation informed on controversial issues.

"It seems clear now that none of the issues raised by the ruling party during the conduct of the campaign was judged as relevant or significant by the vast majority of people in Tobago — not accountability, not violence, not secession.

"The people of Tobago have articulated their position clearly in this election. One hopes that in the interest of reason and democracy, the ruling party will honour its obligations both to the people of Tobago as well as to the House of Assembly and its democratically elected officials.

"One expects that now that the bitter election campaign is over, both those in charge of the central

Government and those in charge of the House of Assembly will demonstrate the maturity and restraint necessary for an amicable relationship between Port-of-Spain and Scarborough. The people of Tobago have spoken; the ball is now in Mr. Chambers's court.

"Amicable relations between the House of Assembly and the Central Government will not only redound to the benefit of the unitary state of Trinidad and Tobago but will also service the idea of West Indian nationhood which must be placed on the political agenda once again.

"The parties of the National Alliance for Reconstruction must now address themselves to the task of consolidating the NAR to take full advantage of this momentum. The major task remains:

— of building an ideologically coherent party committed to democracy, with a network of organisations throughout our twin island state and with democratically elected leadership.

— a national party clearly visible to the world at large, as the alternative government

## **Chambers Absence From Swearing-In**

**Port-of-Spain EXPRESS in English 4 Dec 84 p 1**

**[Article by Compton Delph]**

**[Text]**

### **SCARBOROUGH**

**PRIME Minister George Chambers will not be attending this morning's inauguration ceremony of the Tobago House of Assembly.**

Disclosing this yesterday, Claude Job, Clerk of the Assembly, said that the reason given for Chambers's inability to attend was the fact that the Prime Minister's wife and daughter were out of the country.

However, according to Job, Senator Anthony Jacelon, Minister in the Ministry of Finance with responsibility for the administration of Tobago, will attend the inauguration by President Ellis Clarke.

The inauguration takes place at 10.30 o'clock at the Hall of Justice in Scarborough. The President will administer the oath of office to 12 newly elected members of the Assembly, 11 from the Democratic Action Congress and one from the People's National Movement.

The 12 members of the Assembly are: A.N.R. Robinson, Dr Jeff Davidson, Gerald McFarlane, Hochoy Charles, Miriam Caesar-Moore, Kenneth Murray, George Stanley-Beard, Edwin Caesar, Clarence Warner, Bernadette des Vignes, George Archer, all of the DAC, and William McKenzie, the lone PNM representative.

Three nominated councillors will also be named this morning and sworn in by the President. They are expected to be the same three who held office in the last Assembly: Dr J.D. Elder, considered Tobago's elder statesman, Everett John, secretary of the DAC, and Regis Caruth, husband of schoolteacher Yvette Caruth who last week was found not guilty of a police charge of disrupting a PNM meeting during the political campaigning.

As the majority party, the DAC holds the advantage of its nominees elected as councillors. And this will stretch further to an overwhelming lead the party now enjoys over the opposition PNM, making it 14 to one.

In the first Assembly election in 1980, the DAC won eight of the 12 seats, with the other four going to the PNM, but on Monday last week, the Tobago electorate almost completely rejected the PNM at the polls, giving it only one of the four seats it won in 1980.

The Assembly will also elect its chairman, undoubtedly Robinson, who held that office in the first Assembly. His deputy is again expected to be Dr Davidson.

## **Tapia House Position**

**Port-of-Spain EXPRESS in English 4 Dec 84 p 8**

**[Text]**

**THE Tapia House Movement has called on both the parties in power in the Central Government and the Tobago House of Assembly to demonstrate the maturity and restraint necessary for a n amicable relationship between Port of Spain and Scarborough.**

In a press release following the landslide victory by the DAC in the THA elections, Tapia noted that the people of Tobago had spoken and "the ball is now in Mr. Chambers's court."

Tapia said that amicable relations between the House of Assembly and the Central Government would rebound not only to the benefit of the unitary state of Trinidad and Tobago but would also service the idea of West Indian nationhood which must be placed on the political agenda once again.

In congratulating A.N.R. Robinson and the DAC team of candidates, Tapia said that they had conducted themselves with tremendous dignity throughout the campaign, dealing with pertinent

issues, successfully refuting charges and allegations and keeping the nation informed on controversial issues.

"It seems clear now that none of the issues raised by the ruling party during the conduct of the campaign were judged as relevant or significant by the vast majority of the people in Tobago — not accountability, not violence, not secession."

Tapia said that the parties of the National Alliance for Reconstruction must now address themselves to the task of consolidating the NAR to take full advantage of this momentum.

It said that the major task remains of building an ideologically coherent party committed to democracy, with a network of organisations throughout the twin-island state and democratically elected leadership.

It was also necessary to build a national party clearly visible to the world at large as the alternative government, the release stated.

CSO: 3298/236

TRINIDAD AND TOBAGO

TIWU LEADERSHIP SHIFTS TO OPPOSITION TEAM; NUNEZ OUT

Victory for 'Progressives'

Port-of-Spain TRINIDAD GUARDIAN in English 4 Dec 84 p 3

[Text] Control of the Transport and Industrial Workers' Union (TIWU) has been wrested from President General Clive Nunez, following the landslide victory of an opposition team in the union's recent elections.

Final results show the Progressives, a team opposed to Mr Nunez, well in control of the union's executive.

The Progressives, led by Chief Grievance Officer A. Aberdeen scored an overwhelming victory over the United Progressives led by Mr Nunez.

Mr Nunez, who was returned as President General unopposed, is the member of the United Progressives to serve during the 1984-1987 term.

There was bitter campaigning for the elections.

Voting took place in November. Final results were made known yesterday.

For several months campaigning took the form of accusations of corruption. Campaigning was marred by several incidents including the Nomination Day conflict in which angry union members occupied TIWU Headquarters at Laventille.

The Progressives gained 26,270 votes to the 15,323 scored by the United Progressives.

Details of the polls: First Vice-President--D. Bishop (P)--2,627 votes; D. Whiskey (UP)--1,391.

Second Vice-President--D. Brewster (P)--2,400; D. Soodeen (UP)--1,523.

Third Vice President--J. Jones (P) 2,453; J. Kissoon (UP)--1,443.

Fourth Vice-President--S. Tritte (P)--2,451; R. Danclair (UP)--1,468.

**General Secretary--C. Brisbane (P)--4,412; A. Dixon--1,444.**

**Assistant General Secretary--M. Hewitt (P)--2,390; T. Seepersad (UP) 1,453.**

**Chief Grievance Officer--A. Aberdeen (P)--2,633; R. Sutherland (UP) 1,530.**

**Chief Organiser--K. McLaren (P)--2,387; H. Leslie (UP)--1,481.**

**Trustees--S. Francis (P)--2,095; V. Nichols (UP)--1,304; K. Lawrence (P)--2,251; R. Connor (UP)--1,288; E. Webb (P)--2,171; G. Gulston (UP)--1,198.**

#### Nunez Resignation

**Port-of-Spain TRINIDAD GUARDIAN in English 5 Dec 84 p 1**

[Text] Mr Clive Nunez, president of the Transport and Industrial Workers Union (TIWU) gave verbal notice yesterday of his resignation from the union following the shock defeat of his United Progressives in elections he labelled "rigged Guyanese style."

Nunez, who signalled his intention in an earlier interview, said he will do so on returning from his accumulated vacation leave. The bearded TIWU leader confirmed, however, he will remain always a member of the union.

In an uncharacteristically subdued mood, the volatile Nunez said his team had no objections to losing "but would certainly have appreciated losing fairly."

He then waded through a list of grievances that threatened to split the union but, moreover, the PTSC--long considered the strength of TIWU. Actually, bus workers and employees of Maintenance, Training and Security (MTS) are expected to resign from the union, it was reported.

"Our suspicions first arose when at a meeting called by the supervisor of elections for returning officers, poll clerks and agents on November 27, scores of ballot boxes were padlocked and then sent out," Nunez said.

"TUPS protested this irregularity to the supervisor of elections in writing. No reply has been received up to today."

Chief Grievance Officer Albert Aberdeen, who defeated Roland Sutherland for the post, agreed that nine boxes were inadvertently locked but they were recalled and opened for the United Progressives.

"What we were sure of is that all the boxes were opened before voting in front of poll clerks and agents," Aberdeen assured.

But Nunez accused polling clerks and returning officers at several branches of being "clearly handpicked" and reported that a request to the supervisor of elections for a list of those people was denied.

CSO: 3296/238

TRINIDAD AND TOBAGO

PARLIAMENT PICKETED BY CROSS-SECTION OF UNION GROUPS

Port-of-Spain TRINIDAD GUARDIAN in English 24 Nov 84 p 1

[Article by Gail Alexander and Suzanne Morris]

[Text] TEACHERS and dockers, bank clerks and DEWD workers yesterday joined forces to stage a large protest demonstration outside Parliament, offering further proof of the worsening industrial relations climate in the country.

A cross-section of the community converged on the city from as early as noon yesterday for the march, which was organised by the Trinidad and Tobago Labour Congress.

About 5,000 people from all walks of life participated in the parade which, according to trade union leaders, was aimed at demonstrating dissatisfaction with the attitude of employers. It was the first phase of protest action planned by the Labour Congress.

Tight security measures were in force from early yesterday morning in preparation for the demonstration, and more than 200 policemen--the majority of them recruits--were stationed in and around the Red House area. Most present in helping to maintain order was the mounted section of the Crowd Control Branch.

Pickets from a number of various unions began gathering at Woodford Square from 12 noon and the demonstration began promptly at 12.45 p.m. As the afternoon continued, the numbers increased in size until the Red House was almost totally surrounded by a sea of chanting protestors intent on conveying their feelings.

Taking part in the march were members of the Bank and General Workers Union, Seamen and Waterfront Workers Trade Unions, all six units of the Joint Negotiating Team, the Bank Employees Union, Amalgamated Workers Union, Trinidad and Tobago Unified Teachers Association, Communication Workers Union, National Union of Government and Federated Workers, All Trinidad Sugar Workers Union and of course, the DEWD Workers National Committee.

Noticeably absent from the picket were members of the Transport and Industrial Workers Union and their President General, Mr Clive Nunez, while only a sprinkling of Oilfields Workers Trade Union members attended to show their union's solidarity with the [word illegible].

In its initial stages the protest did not interfere with the flow of traffic except on Knox Street which the pickets "took over" from the beginning. But by 1.45 p.m. it became necessary to divert vehicles away from Abercromby Street between Queen and Knox Streets, while traffic on St Vincent Street slowed to a crawl for the majority of the afternoon.

Perhaps for the first time in a long while both blue and white collar workers rubbed shoulders as they marched in an effort to have their cause recognised. Not even the constantly-changing weather--now sun, now rain--could dampen the enthusiasm of the marchers, who included grandmothers, burly workers, expectant mothers, and even the occasional toddler. When the drizzle began, out came the umbrellas.

Yesterday, labour leaders expressed satisfaction at response to the demonstration, which they emphasised was conducted peacefully. General Secretary of the Labour Congress, Mr Carl Tull, who co-ordinated the entire picket, claimed that it was one of the largest marches ever seen in the city.

His view was shared by President General of the Bank and General Workers Trade Union, Mr. Michael Als, who felt that the message of the march would reach the attention of Prime Minister George Chambers, "whether he is in his house in Parliament, or in Tobago."

#### Teachers in Force

And despite the large turnout of DEWD workers, President of their Committee, Mr Jimmy Singh, said that it was not the largest contingent DEWD had ever brought out.

"The largest was when we picketed the office of the Works Minister in July," he said.

President of TTUTA, Mr Anthony Garcia said the majority of the teaching profession in North Trinidad was present at yesterday's demonstration.

In fact, as the afternoon wore on, the number of teachers picketing increased until they represented almost three quarters of the crowd.

Also present were staff from the city's Republic Bank branches--who were on strike action yesterday and who added a bright section of red uniforms to the sea of various union jerseys.

The demonstration slowed down somewhat around 3 p.m. when members of the SWTU and DEWD left for a meeting at the SWTU's Wrightson Road Headquarters, but members of TTUTA said they were prepared to remain until 4 or 5 p.m. "or whenever Parliament adjourned."

CSO: 3298/203

TRINIDAD AND TOBAGO

TRADE SURPLUS WITH CARICOM MORE THAN DOUBLES

Bridgetown CANA in English 2223 GMT 22 Nov 84

[By Reudon Eversley]

[Text] Port-of-Spain, 22 Nov (CANA)--Trinidad and Tobago, which complained in the past of getting a raw deal in Caribbean Community (Caricom) trading, saw its balance of trade surplus with other Caricom countries more than double to almost 100 million dollars (one TT dollar; 41 cents U.S.) in the first half of 1984, according to official figures here.

The latest Central Bank quarterly economic report put total Trinidadian sales to Caricom, including the main export petroleum, at 256.5 million dollars up to June. Imports amounted to 161.1 million dollars, leaving a surplus of 95.4 million dollars in Port-of-Spain's favour.

The surplus for the corresponding six-month period in 1983 was 37.7 million dollars. The value of Trinidadian exports to Caricom from January to June rose by 11.6 million dollars.

On a country by country basis, trade with Barbados produced the biggest surplus--25.4 million dollars--an increase of 12 million on the previous year. Next was Antigua and Barbuda with 24.3 million dollars, an increase of 13.3 million dollars.

The total trade surplus contrasted with a non-oil trade deficit of 115.0 million dollars. But this figure was 29.2 million dollars lower than in 1983, the Central Bank said.

Overall, Trinidadian imports from Caricom, during the first six months of 1984, were 46.1 million dollars less than last year's largely due to a cut in the importation of food and miscellaneous manufactures. Food imports fell to 50.6 million dollars from 64 million while the figure for miscellaneous manufactures was down to 42.7 million dollars from 55.2 million in 1983.

"The sizeable trade surpluses in the first two quarters of 1984 mirror a general improvement in the country's trading position with most Caricom countries," the Central Bank said.

Where Trinidadian exports were concerned, sales of oil rose to 210.6 million dollars from 182.9 million in 1983. Oil sales to Barbados and Antigua and Barbuda increased significantly, the Central Bank said, with sales to Bridgetown going up by 11.1 million dollars or 25 per cent, and 40 per cent or 7.4 million dollars in the case of St Johns. In fact, the increase in total exports was attributed to higher sales of mineral fuel.

Exports of manufactured goods increased by 3.2 million dollars to reach 20 million dollars, while sales of food (7.6 million) and chemicals (10.9 million dollars) were down 5.3 million and 4.6 million dollars respectively.

Trinidad and Tobago also recorded increases ranging from three million to five million dollars in its surplus position in trading with Guyana (60.7 million), Grenada (6.5 million), and St Lucia (9.4 million). Deficits were recorded with Jamaica, St Vincent and the Grenadines, and Belize, but these were all lower than in 1983, the Central Bank said. The most noticeable decline was the 14.7 million dollars in the case of Jamaica.

CSO: 3298/203

TRINIDAD AND TOBAGO

PLANS FOR POPE'S 6-1/2-HOUR VISIT IN FEBRUARY OUTLINED

Port-of-Spain TRINIDAD GUARDIAN in English 24 Nov 84 p 1

[Article by Francis Joseph]

[Text] POPE John Paul II will visit Trinidad on February 5.

But his visit to this country will last only six and a half hours following which he will fly out for Rome after completing a ten-day tour of Latin America.

This was announced yesterday by Archbishop of Port of Spain, the Most Rev. Anthony Pantin at a Press conference at Archbishop's House, St. Clair, in which the planned visit of the Pope was revealed.

Pope John Paul will arrive in Trinidad at 5.30 p.m. on February 5 after visiting several Latin American countries, including Ecuador, Peru and neighbouring Venezuela.

'Popemobile'

On arrival at Piarco Airport, the Pope will offer greetings to both the country's Roman Catholics and the people of the Republic of Trinidad and Tobago.

He will be placed in a special vehicle to be assembled by a local manufacturing firm and it will be known as the "popemobile."

The Pope will then be taken on a State drive from Piarco along the Eastern Main Road ending up at the National Stadium at Mucurapo where he will celebrate Mass.

Archbishop Pantin told newsmen that the organisers of the Pope's visit were catering for about 40,000 people to attend the Mass at the National Stadium.

As a result, the Archbishop said, tickets for the Mass will be granted to parishioners through Parish priests. He disclosed that a Central Committee had been set up to organise the visit with a secretariat at Flood Street, St. Clair.

The Committee comprises Mr. Harold Bertrand, Mr. Geoff Inglefield, Mr. Cyril Lopez, Mr. John Ramtahal, Mr. Conrad O'Brien, Mr. Vernon Gillette, Fr. Garfield Rochard with Ms. Rhonda Maingot as secretary.

Archbishop Pantin said official souvenirs will be available shortly for members of the public. He also revealed that following the Mass at the Stadium, the Pope will address the nation at a venue to be decided by Government.

Yesterday's news conference by the Archbishop came three days after he returned home from 31 days in Rome and the Mediterranean.

He said he spent eight days in Rome where he and 16 fellow Bishops were guests of the Pope on October 22 for lunch.

"He saw each of us individually and again collectively. The Pope said he was always glad to have guests for lunch because it was only then he was served better food," the Archbishop said jokingly.

"We prayed for the Pope by holding our hands out together and sang "Spirit of the living God."

Archbishop Pantin said he was glad the Pope accepted his invitation to visit Trinidad. He said other islands in the Caribbean will be hopeful that the Pope will visit them in the future.

The Aschbbishop said he had issued invitations to other Bishops to visit Trinidad for the Pope's visit, but it may be unlikely as 250 Bishops are due to assemble in Dallas around the same time.

He said that a visit such as this would be costly, but he could not say if the cost would be borne by the Church and the State.

On December 7, Archbishop Pantin will be celebrating a Midnight Mass at the Cathedral of the Immaculate Conception in Port of Spain where he will be opening a year of prayer, fasting and repentance.

CSO: 3298/203

TRINIDAD AND TOBAGO

FAVORABLE TRADE BALANCE REGISTERED FOR FIRST 9 MONTHS

Port-of-Spain TRINIDAD GUARDIAN in English 3 Dec 84 p 4

[Text]

DURING the months January to September 1984, Trinidad and Tobago experienced a favourable balance of trade totalling \$498.9 million.

This was announced by the Central Statistical office in a Statistical Trade Bulletin for September this year.

Trinidad and Tobago imported goods worth \$3,357.6 million while it exported a total of \$3,856.5 million. Of this export figure \$3,732.4 million represented domestic exports. The same period of 1983 showed an adverse balance of trade amounting to \$701.7 million.

PETROLEUM

For the period January to September this year the Petroleum Sector accounted for 0.8 per cent of total imports and at 80.8 per cent of total exports. Excluding Petroleum imports amounted to \$3,331 and exports to \$741.2 million.

The Principal commodities imported under the Food and Live Animals section for the months January to September 1984 were cereal and cereal preparations \$154.5 million, fruits and vegetables \$117.1 million, dairy

products and eggs \$101.3 million, meat and meat preparations \$81.9 million and feeding stuff for animals \$66 million. The section accounted for 18.7 per cent of all imports.

Major items of exports in the Food and Live Animal section were sugar and sugar preparations \$62.9 million, coffee, tea, cocoa and spices \$10 million, cereal and cereal preparations \$4.6 million, and fruits and vegetables \$2.6 million. Exports in this section accounted for 2.3 per cent of all exports.

Comparisons of total imports for January to September 1984 with the same period of 1983 showed animal and vegetable oils and fats increased by \$11.8 million.

However there were decreases of \$887.2 million in machinery and transport equipment, \$309.3 million in manufac-

tured goods, \$215.1 million in mineral fuels, lubricants and related materials, \$32.1 million in crude materials and \$19.7 million in beverages and tobacco.

A comparison of total exports in the same period of 1984 with that of 1983 showed that in the 1984 period exports of chemicals increased by \$85.1 million. However, there were decreases of \$353.9 million in mineral fuels, lubricants, and related materials, \$49.8 million in machinery and transport equipment and \$4.3 million in manufactured goods.

CSO: 3298/238

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